



Eugene City Council

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www.eugene-or.gov

EUGENE CITY COUNCIL AGENDA

December 14, 2020

7:30 p.m. CITY COUNCIL MEETING and

MEETING OF THE EUGENE URBAN RENEWAL AGENCY

Due to Governor Kate Brown's Stay Home, Save Lives Executive Order to combat the spread of Covid-19, this meeting will be held remotely using virtual meeting technology. Information about online or other options for access and participation will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>

Meeting of December 14, 2020; Her Honor Mayor Lucy Vinis Presiding

Councilors

Emily Semple, President
Mike Clark
Chris Pryor
Betty Taylor

Jennifer Yeh, Vice President
Greg Evans
Claire Syrett
Alan Zelenka

7:30 p.m. CITY COUNCIL MEETING

1. CEREMONIAL MATTER

2. COMMITTEE REPORTS AND ITEMS OF INTEREST

3. CONSENT CALENDAR 1

- A. Approval of City Council Minutes**
- B. Approval of City Council Tentative Agenda**
- C. Resolution Acknowledging the Receipt of the Comprehensive Annual Financial Report of the City of Eugene for the Fiscal Year Ended June 30, 2020**
- D. Resolution Amending Eugene City Council Operating Agreements and Repealing Resolution No. 5205**
- E. Resolution Approving A Low-Income Rental Housing Property Tax Exemption for Property Located on River Road, Eugene, Oregon (Assessor's Map 17-04-13-33, Tax Lots 100, 200, 300, and 400; Assessor's Property Account Nos. 0379816, 0379824, 0379832, and 0379840) (Applicant St. Vincent de Paul Society of Lane County, Inc.)**

4. PUBLIC FORUM

- 5. ACTION: A Resolution Acknowledging the Receipt of the Annual Financial Report Of the Urban Renewal Agency of the City of Eugene, for the Fiscal Year Ended June 30, 2020**
- 6. PUBLIC HEARING and ACTION: A Resolution Adopting a Supplemental Budget; Making Appropriations for the Urban Renewal Agency of the City of Eugene for the Fiscal Year Beginning July 1, 2020, and Ending June 30, 2021**
- 7. PUBLIC HEARING AND ACTION: A Resolution Adopting a Supplemental Budget; Making Appropriations for the City of Eugene for the Fiscal Year Beginning July 1, 2020, and Ending June 30, 2021**
- 8. WORK SESSION: Riverfront Discussion**

The Eugene City Council welcomes your interest in these agenda items. This meeting location is wheelchair-accessible. For the hearing impaired, an interpreter can be provided with 48 hours' notice prior to the meeting. Spanish-language interpretation will also be provided with 48 hours' notice. To arrange for these services, contact the receptionist at 541-682-5010. City Council meetings are telecast live on Metro Television, Comcast channel 21, and rebroadcast later in the week.

El consejo de la Ciudad de Eugene agradece su interés en estos asuntos de la agenda. El lugar de la reunión tiene acceso para sillas de ruedas. Se puede proveer a un intérprete para las personas con discapacidad auditiva si avisa con 48 horas de anticipación. También se puede proveer interpretación para español si avisa con 48 horas de anticipación. Para reservar estos servicios llame al 541-682-5010. Las reuniones del consejo de la ciudad se transmiten en vivo por Metro Television, Canal 21 de Comcast y son retransmitidas durante la semana.

<p>For more information, contact the Council Coordinator at 541-682-5010, or visit us online at www.eugene-or.gov.</p>

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Approval of City Council Minutes

Meeting Date: December 14, 2020
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 3A
Staff Contact: Beth Forrest
Contact Telephone Number: 541-682-5882

ISSUE STATEMENT

This is a routine item to approve City Council minutes.

SUGGESTED MOTION

Move to approve the minutes for the work session on October 12, October 21, October 26, October 28, November 16 and November 18, 2020; the meeting minutes on October 12, October 26, and November 9, 2020; and the public hearing minutes on October 19, 2020.

ATTACHMENTS

- A. October 12, 2020, Work Session Minutes
- B. October 12, 2020, Meeting Minutes
- C. October 19, 2020, Public Hearing Minutes
- D. October 21, 2020, Work Session Minutes
- E. October 26, 2020, Work Session Minutes
- F. October 26, 2020, Meeting Minutes
- G. October 28, 2020, Work Session Minutes
- H. November 9, 2020, Meeting Minutes
- I. November 16, 2020, Work Session Minutes
- J. November 18, 2020, Work Session Minutes

FOR MORE INFORMATION

Staff Contact: Beth Forrest
Telephone: 541-682-5882
Staff E-Mail: bforrest@eugene-or.gov

MINUTES

Eugene City Council Virtual Work Session Eugene, Oregon 97401

October 12, 2020
5:30 p.m.

Councilors Present: Emily Semple, Betty Taylor, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Claire Syrett, Chris Pryor

Mayor Vinis opened the October 12, 2020, work session of the Eugene City Council.

1. WORK SESSION: Urban Reserves Options

Senior Planner Rebecca Gershow gave a PowerPoint presentation on the progress of the Urban Reserves process and next steps.

Council Discussion

- Mayor Vinis – requested clarification on average residential capacity in terms of housing and land use; acknowledged the significance of Lane County and the City coming to an agreement.
- Councilor Zelenka – asked whether there was a mechanism that could be used to ensure the Awbrey Park site is the last to be developed due to its serviceability issues; requested clarification on 30-year option and phasing of building analysis in Lane County’s recommended option; expressed concerns about Lane County’s preferred option without restriction or implementing conditions for which land is developed; supported 27-year option.
- Councilor Clark – expressed support for Lane County’s preference, noting it is a good compromise; requested clarification on what would happen if the City and Lane County do not reach an agreement; wanted to avoid lengthening the process due to lack of agreement with Lane County.
- Councilor Zelenka – asked for clarification of the process used to arrive at the staff recommendation; said Lane County should work with the City to identify a workable solution as opposed to one that City lawyers believe will not work; noted that most of the technical and legal work was done by the City.
- Councilor Clark – asked about the legality and viability of Lane County’s compromise solution.
- Mayor Vinis –thanked the Envision Eugene Technical Advisory Committee and staff for their work on this issue.

2. WORK SESSION and POSSIBLE ACTION: UPS Enterprise Zone Extension Request

Council Discussion

- Councilor Clark – asked whether the property abuts the railroad and recalled a previous discussion about that criteria being used to determine eligibility for annexation; supported state legislative action to something similar to the Getty Bill in the future; requested clarification on what UPS’s property taxes will be when it comes into City limits and the amount paid during the exemption; expressed hope that the City will continue to pursue annexation, as this will bring a lot of tax money to the City.

- Councilor Pryor – noted that the City is working now with the more robust criteria, including the number of jobs and wage rates; said the proposed extension won't cost the City anything in lost property taxes because UPS is not yet annexed into the City; stated that UPS is a stable employer and great asset, which makes it a good investment for future tax revenue.
- Councilor Zelenka – expressed his opposition to property tax exemptions in general; stated this exemption is different in that UPS is a stable company and there is public benefit to the community from this action; suggested the addition of a Subsection C to Section 2 – for the duration of the five-year property tax exemption UPS shall maintain at least 110 percent of the average employment of the firm as calculated over 12 months preceding the date of application for the initial three-year property tax exemption.
- Councilor Syrett – thanked staff and said she believes this application meets the Public Benefit Criteria and that UPS will eventually be a part of the City, making it an investment in the City's future and future tax revenues; noted that it is a union-represented workforce with good wages and expressed support for the proposed extension.
- Councilor Taylor – stated that she will be voting against the proposed extension; expressed her belief that everyone should be pay taxes; shared an idea for tax breaks for those in the Santa Clara area that would freeze their taxes for 10 years as an incentive to annex to the City.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to adopt a Resolution Approving a Two-Year Extension Request for a Property Tax Exemption to United Parcel Service, Inc./BT OH, LLC for Its Operations in the West Eugene Enterprise Zone and adding Subsection C to Section 2: For the duration of the five-year property tax exemption UPS shall maintain at least 110 percent of the average employment of the firm as calculated over 12 months preceding the date of application for the initial 3-year property tax exemption. – **PASSED 7:1.** Taylor opposed.

The meeting adjourned at 6:26 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Julie Adams)

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

MINUTES

**Eugene City Council
Virtual Meeting
Eugene, Oregon 97401**

**October 12, 2020
7:30 p.m.**

Councilors Present: Betty Taylor, Emily Semple, Alan Zelenka, Jennifer Yeh, Mike Clark, Claire Syrett, Chris Pryor, Greg Evans

Mayor Vinis opened the October 12, 2020, work session of the Eugene City Council.

1. CEREMONIAL MATTER

Mayor Vinis read a proclamation recognizing the second Monday in October as Indigenous People's Day.

2. COMMITTEE REPORTS AND ITEMS OF INTEREST

- City Manager Sarah Medary - reflected on the Mayor's statement and the City's overarching goal of resilience and building trust; discussed the unveiling of the mural and the work the City should have done better in the planning process; introduced guest speaker Frank Lawson from EWEB.
- Frank Lawson - shared the impacts from the Holiday Farm fire on the watershed, noting there was no threat to water quality, but additional testing was being done.
- Mayor Vinis – thanked Mr. Lawson and said she was encouraged by the information shared.
- Councilor Semple- shared concerns about bike theft and how this crime can leave someone devastated when their bike is the main mode of transportation; said she felt bike theft is driven by illegal drug use and the desperation of poverty; supported further consideration of possible solutions to this growing crisis.
- Councilor Zelenka – said he was glad to hear that water is clean and safe and that EWEB is proactively ensuring its safety; asked about the water system up river and about the mutual aid received from other agencies.
- Councilor Pryor- updated the council on the final meeting of House Bill 2003 Housing Tools and Strategies Advising Committee; said the committee is doing a regional needs analysis for affordable housing, projecting 29 percent of the housing that needs to be built for lower income community will require public support.
- Councilor Syrett – echoed Councilor Semple's concerns about bike theft; expressed concern about the rise in local COVID cases and the impact of parties that are endangering lives; appreciated the University of Oregon for its party patrol efforts; asked about the City's role in doing outreach for the Census.
- Councilor Clark - shared the importance of facilitating the construction of more homes in the community, noting supply is low and prices are high; encouraged revisiting some of the decisions council made that affect the cost of building homes; said he hoped the recent mural issue results in better efforts to recognize potentially divisive symbols in publicly subsidized art.
- Councilor Taylor - shared concerns about pedestrian safety downtown; asked questions about the mural related to whose property it is on, who authorized it, who approved the design, who paid for it, and how much City money was used to subsidize it.

- Councilor Zelenka - reported that the Ad Hoc Committee on Police Policy had its second meeting and was getting into the meat of the issues; acknowledged that COVID cases are again on the rise and asked if the City has the authority to police large parties.
- Councilor Clark - reported that family members of Mr. Landeros want his depiction on the mural to be removed; said he understands the importance of symbols of activism but some go too far and it's okay to admit a mistake and correct it.

3. CONSENT CALENDAR 1

- A. Approval of City Council Minutes
- B. Approval of Tentative Working Agenda

Councilor Semple asked that a motion in the July 29, 2020 minutes be corrected to reflect a vote of 6:2, with councilors Taylor and Semple in opposition.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to approve the items on the Consent Calendar with the correction to the July 29, 2020 minutes as noted. **PASSED 8:0.**

4. PUBLIC FORUM

1. Joel Iboa - talked about Columbus Day and the importance of sharing the truth about the past.
2. David Piccioni – spoke about the history of UPS and opposed granting the requested tax break.
3. Joshua Korn - encouraged Council to pass a moratorium on 5G network installations.
4. William Smith - shared concerns about wireless safety and a recent, related legal decision.

5. ACTION: An Ordinance Adopting an Updated Eugene Airport Master Plan, a Refinement Plan of the Eugene-Springfield Metropolitan Area General Plan (Metro Plan); Adopting a Severability Clause; and Providing and Effective Date (City File RA 19-2, Lane County File PA 19-5770)

MOTION: Councilor Semple, seconded by Councilor Yeh, moved to adopt the ordinance to the updated Eugene Airport Master Plan as a refinement to Eugene-Springfield Metropolitan Area General Plan (Metro Plan). **PASSED 8:0.**

Council Discussion

- Councilor Zelenka- expressed interest in consideration of a solar requirement for the Airport; spoke about greenhouse gas emission mitigation and reduction.

6. ACTION: An Ordinance Amending the Eugene-Springfield Metropolitan Area General Plan Diagram and the Willakenzie Area Plan Diagram to Redesignate the Property Identified as Assessors Map 17-03-16-41 tax lots 201, 300 and 400 and Assessors Map 17-03-16-44 Tax Lots 400 and 800 from Campus Industrial to Light Medium Industrial and Rezone the Property from E-1 Campus Employment to E-2 Mixed Use Employment

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to adopt the ordinance included as attachment B to this AIS amending Eugene-Springfield Metropolitan Area General Plan Diagram and the Willakenzie Area Plan Diagram to Redesignate the Property Identified as Assessors Map 17-03-16-41 tax lots 201, 300 and 400 and Assessors Map 17-03-16-44 Tax Lots 400 and 800 from Campus Industrial to Light Medium Industrial and Rezone the Property from E-1 Campus Employment to E-2 Mixed Use Employment. **PASSED 8:0.**

Council Discussion

- Councilor Zelenka – asked for clarification of the Planning Commission’s recommendation; asked about the differences between E-1 and E-2 zones related to uses; raised concern about bright, loud car dealerships adjacent to residential apartments.

7. ACTION: An Ordinance Concerning Digital Sign Code, Amending Sections 9.0500

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to adopt the proposed ordinance with changes provided in Attachment A concerning an ordinance in digital sign code amending section 9.0500, 9.6610, 9.6615, 9.6620, 9.6630, 9.6635, 9.6640, 9.6645, 9.6650, 9.6655, 9.6660, 9.6665, 9.6670, 9.6675 and 9.6680 of the Eugene Code 1971 and providing an effective date. **PASSED 6:2**, Councilor Semple and Councilor Taylor opposed.

Council Discussion

- Councilor Pryor- asked to modify the motion by adding to Section 9.6640 10A to change 10 seconds to eight seconds.
- Councilor Clark - asked why the City isn’t doing a pilot program as suggested by the Planning Commission.
- Councilor Pryor- asked why the time for digital signs and billboards are different.
- Councilor Clark - asked if the amended motion could be characterized as being closest to the original motion at Planning Commission.
- Councilor Semple - suggested that signs and billboards are different, and the motion should be divided; opposed billboards because they are distracting.
- Councilor Syrett - shared that she’s becoming more of an advocate of digital signs in recognition of their use in conveying timely and important public service messages; said there is no statistical correlation between number of accidents and electronic signs.
- Councilor Zelenka - asked if the amendment would increase the number of billboards or just allow for digital signage.
- Councilor Yeh - agreed that adding a more affordable tool for businesses to communicate is valuable; asked if feedback will be available and if accidents will be monitored.
- Mayor Vinis- reminded the council that crash data is collected and analyzed as part of the Vision Zero initiative.

The meeting adjourned at 8:51 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Niyah Ross)

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

MINUTES

**Eugene City Council and
Eugene Urban Renewal Agency
Virtual Meeting
Eugene, Oregon 97401**

**October 19, 2020
7:30 p.m.**

Councilors Present: Betty Taylor, Emily Semple, Jennifer Yeh, Greg Evans, Alan Zelenka, Chris Pryor, Mike Clark, Claire Syrett

Mayor Vinis opened the October 19, 2020, meeting of the Eugene City Council.

1. PUBLIC HEARING: An Ordinance Concerning Time Extensions for Approved Land Use Applications and Providing an Effective Date

Mayor Vinis opened and closed the public hearing, as there was no one present to testify.

Mayor Vinis adjourned the meeting of the Eugene City Council and convened a meeting of the Eugene Urban Renewal Agency.

2. PUBLIC HEARING and POSSIBLE ACTION: A Resolution Adopting A Supplemental Budget; Making Appropriations for the Urban Renewal Agency of the City of Eugene for the Fiscal Year Beginning July 1, 2020, and Ending June 30, 2021

Mayor Vinis opened the Public Hearing.

1. John Barofsky – supported the proposed resolution and increasing the spending limit for the downtown Urban Renewal District.
2. Ethan Klein – supported the use of supplemental URA funds for 24/7 sanitation services.

Mayor Vinis closed the Public Hearing.

MOTION AND VOTE: Agency President Semple, seconded by Agency Vice President Yeh, moved to adopt Resolution 1095 adopting a Supplemental Budget; making appropriations for the Urban Renewal Agency of the City of Eugene for the fiscal year beginning July 1, 2020 and ending June 30, 2021. PASSED 8:0

The meeting adjourned at 7:45 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Julie Adams)
Webcast of meeting available [here](#).

MINUTES

**Eugene City Council
Virtual Work Session
Eugene, Oregon 97401**

**October 21, 2020
12:00 p.m.**

Councilors Present: Emily Semple, Betty Taylor, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Claire Syrett and Chris Pryor

Mayor Vinis opened the October 21, 2020, work session of the Eugene City Council.

1. WORK SESSION: Urban Reserves Direction

Urban Reserve Senior Planner Rebecca Gershow provided a brief overview of the Urban Reserves options.

Council Discussion:

- Councilor Clark – stated values choices are creating more expensive housing, which is what Council will be doing if it doesn't take the 29- or 30-year option; asked staff about the potential cost of servicing areas in hilly regions; stated options that protect values should be retained.
- Councilor Syrett – supported the City Manager's recommendation; asked clarifying questions regarding the future of Urban Growth Boundary (UGB) expansion.
- Councilor Semple – asked what happens to lands not included in Urban Reserves; stated she is in favor of the 27-year option.
- Councilor Evans – stated he is concerned about planning for food security, compact growth and transportation; said he is in favor of the 27-year option.
- Councilor Yeh – thanked the Envision Eugene Technical Advisory Committee for their work on this project; stated the Fisher Road area was included in the 27-year option because it made more sense than including other areas in the south; said she is in favor of the 27-year option.
- Councilor Pryor – asked clarifying questions regarding the expansion of the UGB; stated the conversation about how Eugene is going to grow never has an end, and a future Council will move it into its next iteration; supported the City Manager's recommendation.
- Councilor Zelenka – stated he is in favor of compact urban growth; supported the 27-year option.
- Councilor Taylor – stated that forest land is important and food security is crucial; asked if the ratio adopted by Council of single family to multi-family housing can be changed; stated she is in favor of no urban reserves as it would cause land speculation; supported Option 4.
- Councilor Clark – stated developers will build the kind of housing demanded by the market, and if it doesn't happen in Eugene it will happen in surrounding communities; voiced concern that this process of being overly restrictive will result in surrounding communities growing towards Eugene rather than the other way around.
- Councilor Zelenka – stated, in response to Councilor Clark's point, that builders build what the market is interested in only in part, noting the huge demand for affordable and lower cost housing that builders are not building.
- Councilor Evans – stated there will be a demand for commercial nodal development, which will play into the transportation and commercial retail sectors.
- Mayor Vinis – stated this is an important conversation and opportunity to connect the dots from decisions made by previous City Councils; said moving this discussion forward is important for the community.

MOTION: Councilor Semple, seconded by Councilor Yeh, moved to initiate a public review and adoption process, including but not limited to comprehensive plan and code amendments, to consider establishment of Urban Reserves as described in Option 3, the 27-year Option, shown in Attachment D. **VOTE:** 7:1, Councilor Clark opposed.

2. WORK SESSION: Housing Status as a Protected Class

Human Rights and Neighborhood Involvement Manager Michael Kinnison provided information on how protected classes are currently addressed in Eugene Code and a proposal to amend the City's Human Rights Code to add housing status as a protected class.

- Councilor Clark – inquired into potential illegal camping conflicts between the Eugene Code and amending the Eugene Human Rights Code to add housing status as a protected class; stated he would like the Human Rights Commission to analyze possible implications of adopting housing status as a protected class.
- Councilor Taylor – stated she is unclear what will happen as a result of adopting this code amendment.
- Councilor Semple – asked staff if adding the “Intimidation” language will take away the conflict with camping; stated shelter options are needed and suggested lifting the camping ban in places; stated both the decriminalization effort and the need for shelter need work.
- Councilor Pryor – stated he thinks the condition of homelessness should be protected but has concerns about the behaviors by association and disparate impact that may be included in that protection; supportive of the Intimidation aspect.
- Councilor Zelenka – stated homelessness is a symptom of the larger problems of lack of affordable housing, addiction services and mental health services; said he is not in favor of lifting the camping ban; supported asking the Human Rights Commission to provide an analysis of unintended consequences including how this impacts housing, employment and public accommodation.
- Councilor Syrett – stated she would be ready to add housing status as a protected class to Intimidation in the 2nd Degree and move it to a public hearing; stated she would like another work session with scoping of pieces mentioned by Councilor Zelenka.
- Councilor Yeh – stated she agrees with Councilor Syrett on moving forward with the Intimidation in the 2nd Degree part; stated the other part of this conversation is unclear and she would like to hear from the Human Rights Commission on ramifications as well.
- Councilor Zelenka – asked questions related to directing the Human Rights Commission to include this analysis in its workplan; expressed support for moving the Intimidation part to a public hearing.
- Mayor Vinis – stated it appears two motions have surfaced, one reflecting moving forward with an additional work session and a second one that Councilor Syrett is proposing to put forward on the Intimidation piece; thanked staff for making the distinction between the code and the law.
- Councilor Clark – stated he would like to hear the Human Rights Commission recommend resolution of the conflict so there is no ambiguity in what is being accomplished with the changes.
- Councilor Zelenka – stated the conversation is about how to resolve the conflicts and move forward without eliminating the camping ban.

MOTION and VOTE: Councilor Semple, seconded by Councilor Yeh, moved to direct the City Manager to add to the current package of code amendments for state law consistency an amendment to EC 4.731 that adds homeless as an identified class and schedule a public hearing. **VOTE:** 8:0.

MOTION with Friendly Amendment: Councilor Semple, seconded by Councilor Yeh, moved to direct the City Manager to schedule a follow-up work session to further discuss the option of adding housing status to the City's Human Rights Code, including feedback from the Human Rights Commission. **VOTE:** 8:0.

The meeting adjourned at 1:29 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Jessica Gebb)

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

MINUTES

**Eugene City Council
Virtual Work Session
Eugene, Oregon 97401**

**October 26, 2020
5:30 p.m.**

Councilors Present: Betty Taylor, Emily Semple, Alan Zelenka, Jennifer Yeh, Mike Clark, Claire Syrett, Chris Pryor, Greg Evans

Mayor Vinis opened the October 26, 2020, work session of the Eugene City Council.

1. WORK SESSION: Human Rights Commission FY2021 Work Plan

Chair of the Human Rights Commission Joel Iboa and Equity and Accessibility Analyst Fabio Andrade provided information about the Human Rights Commission's work plan.

Council Discussion:

- Councilor Taylor – asked how homelessness is being criminalized, noting the need to address criminal behavior; voiced concern about language being used.
- Councilor Syrett – thanked staff for their work on the plan; discussed other councilors' concerns over provocative language and expressed the importance of phrasing.
- Councilor Clark – expressed that the illegal camping policy change does not have majority council support; agreed with other councilors' concerns about the language being used to address this issue and requested de-escalation of language and rhetoric.
- Councilor Pryor – expressed support for replacing the phrase “decriminalizing homelessness” replacing it with language that addresses the behaviors that require a different public safety or social services response, which should be the focus.
- Councilor Evans – discussed the lack of substantive results from outreach efforts to community businesses of color; noted the negative atmosphere for employees of color in the City organization and requested an investigation by the commission.
- Councilor Yeh – thanked staff for the report and noted the enormous amount of work done by the Human Rights Commission.
- Councilor Zelenka – spoke to the other councilors' concerns over language and agreed that phrasing needs to be more specific and clearer; requested analysis of adding a housing status classification to the human rights code.
- Councilor Syrett – said that councilors are seeking more specific outcomes; requested guidance from HRC to help to identify changes needed to address institutionalized racism in current systems;
- Councilor Clark – thanked staff for their work; discussed differences in changes to the code and how establishing another protected class could impact enforcement of the code; asked for staff follow up on human rights code.
- Councilor Yeh – voiced concern about other councilors' feedback on decriminalization and noted that the prior report did have more specific feedback and didn't use “decriminalization”; wanted to ensure staff understood what councilors are requesting.
- Councilor Evans – discussed conversations with staff about how to improve work with communities of color and the system for reporting hate crimes.
- Councilor Syrett – appreciated the reminder of the recommendations first made; said she is most interested in outcomes that HRC recommends;

- Councilor Semple – thanked staff for their work.
- Councilor Clark – discussed issues of intimidation and requested advice and input from the HRC staff.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to approve the Human Rights Commission FY 2021 Work Plan with the addition of the study of the impacts and analysis of adding housing status as a protected class to the human rights code. **PASSED 8:0**

2. WORK SESSION: Sustainability Commission Work Plan

Climate Policy Analyst and ESC Staff Liaison Samantha Roberts, Chair of the Sustainability Commission Zach Mulholland, and Vice Chair of the Sustainability Commission Julia Johnson provided information about the Sustainability Commission Work Plan.

Council Discussion:

- Councilor Syrett – thanked the commissioners and staff for their work and the thoughtfulness of their advocacy; discussed suggestions for prioritizing inclusion of marginalized communities in the commission’s work.
- Councilor Pryor – discussed the value of committees; noted that clear suggestions that derive from committee research and expertise are most helpful to the council.
- Councilor Evans – commended staff and the commission on their establishment of the equity committee; discussed the economic impacts of moving forward with climate change and resiliency work; spoke to the disconnect of people and educating them on the benefits of addressing climate issues they’re facing.
- Councilor Clark – discussed the Sustainability Commission’s work relating to and supporting the role of urban agriculture; expressed importance of resiliency efforts that support backyard and locally produced food.
- Councilor Zelenka – discussed the initial Sustainability Commission work plan and development of food sustainability policy; thanked the commission and staff for the plan and their equity work; noted the importance of committing to the CAP 2.0.
- Councilor Semple – thanked staff and noted the importance of the work they do; appreciated her involvement as Sustainability Commission liaison.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, move to approve the FY 2021 Sustainability Commission Work Plan. **PASSED 8:0**

The meeting adjourned at 7:04 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Julie Adams)

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

MINUTES

**Eugene City Council
Virtual Meeting
Eugene, Oregon 97401**

**October 26, 2020
7:30 p.m.**

Councilors Present: Emily Semple, Betty Taylor, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Claire Syrett, Chris Pryor

Mayor Vinis opened the October 26, 2020, meeting of the Eugene City Council in a virtual format.

1. COMMITTEE REPORTS AND ITEMS OF INTEREST

- Councilor Yeh - acknowledged Breast Cancer Awareness Month and why Council and Mayor are wearing pink.
- Councilor Taylor - shared complaints she received about gas-powered leaf blowers and the new downtown mural; asked if a property owner can put anything on their building or if the City has some regulatory authority.
- Councilor Syrett - updated the council on the Human Services Commission's plans to allocate money for rental and mortgage assistance; asked how the City plans to ensure that people feel safe in the aftermath of the election; disapproved of mural being vandalized.
- Councilor Zelenka - took a moment to recognize a young college student who lost their life to COVID; encouraged community to take COVID seriously and to wear masks; updated the council on the work of the Ad Hoc Police Policy Committee and Police Commission; agreed that vandalism of the mural was wrong.
- Councilor Evans - shared his recent experiences presenting on the Cahoots program to the National League of Cities; reported that the League of Oregon Cities Conference included work on equity and diversity issues.
- Councilor Clark - commented on the mural vandalism, noting the content was needlessly controversial and insensitive; said he was ashamed of the vandal.
- Mayor Vinis- asked for an update of the plan to address shelter needs in anticipation of the cold nights ahead.

2. CONSENT CALENDAR

A. Approval of City Council Minutes

B. Approval of City Council Tentative Agenda

Councilor Semple requested corrections to the September 28, 2020, work session and meeting minutes.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to approve the items on Consent Calendar 1 with the corrections noted. PASSED 8:0.

3. PUBLIC FORUM

1. Martha Bryson - supported decriminalization of homelessness and shared an article.
2. Richard Self - supported decriminalization of homelessness and making homelessness a protected class.

3. Tom Peck – supported creating a shelter for women who are unhoused and vulnerable.
4. Matthew Yook - appreciated the work and focus of the Human Rights Commission.
5. Joshua Stroud - applauded the work being done by Council, specifically on restorative justice.
6. Chelsea Swift - expressed concern for those who are without shelter during cold days and nights.

Council Discussion

- Councilor Zelenka - commented on the availability of shelters and beds; asked for clarification of the Boise decision, noting there were some misconceptions about the ruling.
- Councilor Syrett - clarified that Egan-type shelters are not activated unless the temperature is lower than 28 degrees; appreciated the work of neighborhood association; voiced concern about low participation in public forums and would like to allow video testimony by participants.
- Councilor Semple - agreed that she would like to be able to see participants; expressed her strong support for and involvement in efforts to find more housing and shelter options.,
- Mayor Vinis - shared information about EWEB's weatherization program.

4. ACTION: An Ordinance Concerning Time Extensions for Approved Land Use Applications and Providing an Effective Date.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to adopt the ordinance included as attachment A to this AIS, concerning time extensions for approved land use applications and providing an effective date. **PASSED 8:0.**

5. ACTION: City Manager Evaluation Process October 26, 2020, Meeting

City Manager Sarah Medary briefly reviewed the proposed evaluation process that incorporates feedback from the council's previous work session.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to establish the City Manager evaluation process as outlined in attachment A. **PASSED 8:0.**

Council Discussion:

Councilor Zelenka - reiterated the point that a free-for-all process with no data and no guidance didn't serve the council well in the past; supported a hybrid approach of using non-binding numbers and discussion of a better structure of the compensation package.

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to authorize the Council President to execute the second amendment to Sarah Medary's employment agreement set forth in Attachment B to this AIS. **PASSED 8:0**

The meeting adjourned at 8:28 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Niyah Ross)

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

MINUTES

**Eugene City Council
Virtual Work Session
Eugene, Oregon 97401**

**October 28, 2020
12:00 p.m.**

Councilors Present: Emily Semple, Betty Taylor, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Claire Syrett and Chris Pryor

Mayor Vinis opened the October 28, 2020, work session of the Eugene City Council.

Mayor Vinis gave a statement regarding the defacement of a newly painted mural on a wall off Park Street between 7th and 8th Avenues.

1. WORK SESSION: Police Chief Update on Election Preparations

Chief of Police Chris Skinner gave an update on preparations for possible protests and demonstrations during the upcoming election.

Council Discussion:

- Councilor Evans – thanked Chief Skinner for the report; inquired about security for ballot drop boxes; asked what is in place for coordinated responses from social services agencies, non-profits and the City for dealing with trauma, both pre- and post-election.
- Councilor Zelenka – asked if ballot drop boxes are under surveillance; stated that vote-by-mail in Oregon is safe and works extremely well, noting that voters can track their ballot and remedy any problems.
- Councilor Semple – stated Lane County has made some alterations outside the Elections Office.
- Councilor Syrett – thanked Chief Skinner for the thoughtful election preparations especially around how the department will provide visible security to assure the public that its right to vote is being protected; appreciated the leadership the Chief is providing to the department.

2. WORK SESSION: City Council Process Session

Mayor and Council Support Manager Beth Forrest gave an update on several piloted changes made to City Council processes and policies in January 2020.

Council Discussion:

- Councilor Taylor – stated three-minute testimony is better than two minutes; supported not limiting testimony time once the public arrives at the meeting; said she does not approve of limiting the overall time of the public forum or randomizing the speakers' queue; thought it was better when Items of Interest occurred at the 5:30 pm work session.
- Councilor Yeh – said she feels randomization of speakers is unnecessary; said she is not set on two or three minutes but doesn't think testimony time should be changed once a person arrives to the meeting; said she does not feel there should be a time limit on public forums and, when meetings are held again in-person, she would like to consider having testimony via phone or Zoom.
- Councilor Evans – asked staff if a survey of the public has been conducted regarding these changes; said he thinks it would be good to assess the public's response to provide clarity for moving forward with these changes in a permanent way.

- Councilor Semple – stated if land use items are separated from the consent calendar, the council should consider scheduling all consent calendar items after the public forum; said she thinks Items of Interest is placed better at the 7:30 pm meeting; proposed a compromise of 2.5 minutes for testimony; said she feels 90 minutes is reasonable for the public forum but may need more time when big issues emerge; supported the option to allow video testimony; said she likes the idea of allowing the public to participate via Zoom when in-person meetings resume.
- Councilor Pryor – said that 90 minutes provides certainty that Council can hear testimony and take care of action items after; said he does not feel there has been a fair test of the new procedures since council had to change to a remote meeting format only two months after the changes were implemented; recommended holding off on a decision until in-person meetings resume and the changes can be properly assessed; said he would like to have video testimony in current Zoom format.
- Councilor Syrett – agreed with Councilor Pryor that changes to the public forum were not adequately tested and would like to see the test continue when meetings resume in-person; supported Councilor Semple’s idea of 2.5-minute testimony; said she feels 90 minutes for the public forum is adequate and the Mayor or Council President has the discretion to extend if warranted; supported randomization as important from an equity standpoint and to prevent gaming of the system; said she feels some of the proposed changes to the Council Operating Agreements can be adopted today but would like to hold off on permanent adoption of changes made to the public forum.
- Councilor Zelenka – agreed that changes to the public forum were made for certainty; said the two-minute limit on testimony and 90-minute total forum time is working so far; stated changes can be made at any time so there is no need to continue with a pilot and Council can extend length of the public forum at will; agreed that gaming of the system was occurring; supported allowing video testimony offered in Zoom and would like to allow testimony via Zoom and phone post-COVID restrictions.
- Mayor Vinis – stated these are unusual times and changes can be re-evaluated after COVID; said she feels two minutes for testimony seems short and can easily be extended to 2.5 minutes since public forums are not lengthy at this time.
- Councilor Clark – supported two-minute testimony and 60 minutes for the length of the public forum; said he feels certainty about the time frame is important; stated Council made these changes to fix problems and is not sure yet if the problems are fixed; agreed the public should be able to participate remotely, post-COVID.
- Councilor Evans – stated he is concerned about access issues for the public and wants to see if staff can explore ways to provide greater access for people to connect to Council meetings.
- Councilor Yeh – suggested staff can help Council with increasing access to Council meetings now and post-COVID; said she likes the idea of evaluating for an additional three months after in-person meetings resume; supported changing testimony time to 2.5 minutes and allowing video testimony; said she wants to revisit changes.
- Councilor Taylor – said she feels certainty is important and people should know ahead of time what the time allotment will be; opposed randomization as unfair for the person who arrives early and is not guaranteed time to speak; said she feels groups should get more time, with each person in the group allotted time.
- Councilor Semple – stated the public can still game the system; agreed with Councilor Taylor’s points; shared her preference to continue the pilot with 2.5-minute testimony time.
- Councilor Zelenka – suggested the council move forward with the package of changes, and councilors bring it up any specific changes as a motion.

MOTION and VOTE: Councilor Semple, seconded by Councilor Yeh, moved that the speaking time be changed to 2.5 minutes. **PASSED:** 6:2, Councilors Zelenka and Clark opposed.

Councilor Evans left the meeting at 1:07 p.m.

MOTION: Councilor Semple, seconded by Councilor Yeh, moved to continue the pilot with the 2.5-minute change until Council has been meeting in-person for three months, at which time Council will review it again.

MOTION TO AMEND and VOTE: Councilor Taylor, seconded by Councilor Semple, moved to eliminate randomization of speakers. **FAILED:** 3:4, Councilors Syrett, Pryor, Clark and Zelenka opposed.

VOTE on ORIGINAL MOTION: PASSED: 6:1, Councilor Zelenka opposed.

MOTION and VOTE: Councilor Semple, seconded by Councilor Yeh, moved to direct staff to return to Council with a resolution updating the City Council Operating Agreements with the changes approved by Council at its January 22, 2020, work session, shown in green font in Attachment A. **PASSED:** 7:0.

The meeting adjourned at 1:13 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Jessica Gebb)

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

MINUTES

**Eugene City Council
Virtual Meeting
Eugene, Oregon 97401**

**November 9, 2020
7:30 p.m.**

Councilors Present: Emily Semple, Betty Taylor, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Claire Syrett, Chris Pryor

Mayor Vinis opened the November 9, 2020, meeting of the Eugene City Council in a virtual format.

1. PLEDGE OF ALLEGIANCE TO THE FLAG

Bill Buterbaugh led the meeting attendees in reciting the Pledge of Allegiance to the Flag in commemoration of Veterans Day on November 11, 2020.

2. COMMITTEE REPORTS AND ITEMS OF INTEREST

- Councilor Taylor – suggested using room tax revenue to help pay for underfunded services.
- Councilor Zelenka – reported that the Police Commission and Ad Hoc Committee on Police Policy were scheduled to meet this week.
- Mayor Vinis – said that the Metropolitan Policy Committee was committed to incorporating reduction of greenhouse gases in its planning goals; reported on the Public Safety Coordinating Council’s review of diversity, equity and inclusion.

3. CONSENT CALENDAR 1

A. Approval of City Council Minutes

- September 16, 2020, Work Session
- September 28, 2020, Meeting
- September 30, 2020, Work Session
- October 14, 2020, JEO Work Session

B. Approval of City Council Tentative Agenda

MOTION AND VOTE: Councilor Semple, seconded by Councilor Yeh, moved to approve the items on Consent Calendar 1. PASSED 8:0.

4. PUBLIC FORUM

1. Karl Morgenstern - thanked City for help with Holiday Farm Fire response and watershed protection.
2. Keith Bucher – voiced concern about lack of enforcement on illegal camps and criminal activities.
3. Dharmika Henshel - noted gap in City code that allows loud noises from Zip-O-Laminators.
4. William Smithson: thanked the Public Works director for work related to 5G wireless safety.
5. Lin Woodrich: spoke about work being done in the Bethel redevelopment plan to build capacity.

Council Discussion

- Councilor Syrett – acknowledged the public safety problems in Ward 7 areas that Mr. Bucher raised; clarified the property at issue belongs to ODOT which limits the City’s response; agreed there is a need to address the gap in the noise ordinance; encouraged continued efforts in planning for Bethel area redevelopment.

- Councilor Clark – thanked Ms. Woodrich for her testimony and echoed Syrett’s support for honoring commitment to the Bethel area; said he would issue a work session poll on developing multifamily housing and encouraging economic development along corridors.
- Councilor Evans – echoed the other councilors’ comments related to Bethel redevelopment efforts.

The meeting adjourned at 8:04 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Julie Adams)

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

MINUTES

**Eugene City Council
Virtual Work Session
Eugene, Oregon 97401**

**November 16, 2020
5:30 p.m.**

Councilors Present: Betty Taylor, Emily Semple, Alan Zelenka, Jennifer Yeh, Claire Syrett, Chris Pryor, Greg Evans

Councilors Absent: Mike Clark

Mayor Vinis opened the November 16, 2020, work session of the Eugene City Council.

1. WORK SESSION: Civilian Review Board Annual Report

Chair of the Civilian Review Board Lindsey Foltz provided information about the Civilian Review Board 2019 Annual Report.

Council Discussion:

- Mayor Vinis – expressed support for the work being done by the CRB and Police Auditor’s Office staff; commented on the outreach efforts and expressed appreciation for specific access improvements for the Spanish-speaking population; asked why complaints had increased each year.
- Councilor Syrett – thanked staff for their work; expressed appreciation for outreach efforts and asked if staff had seen an increase in engagement with Spanish-speaking populations lodging complaints with the Police Auditor’s Office.
- Councilor Evans – discussed the disproportionate percentage of stops of African Americans and asked for clarification of the statistic; asked if there was a correlation between hate crimes statistics and the Police statistics for African Americans.
- Councilor Pryor – expressed appreciation for staff and their work; said the goal of starting the Auditor’s Office was to change the culture of the Police Department; discussed the impact of individual police officers who have multiple justified complaints on this effort to improve the department culture, and ways to weed them out.
- Councilor Zelenka – discussed the types of complaints, seeking clarification of how they are characterized; asked how Eugene compares to other cities with a Police Auditor’s Office and CRB system; discussed the hard work that went into establishing the civilian review process and expressed appreciation for the staff who have implemented it.
- Councilor Yeh – expressed appreciation and thanks to staff; asked how the CRB could increase the number of cases they review; discussed how the CRB regards training as being critically important and looks at trends with young officers.
- Councilor Evans – noted how police officers move around to different agencies and that it’s important that the City looks at officer backgrounds closely before hiring; asked if there were standards and policies for hiring practices to protect the City from hiring those with misconduct charges from previous departments.

2. WORK SESSION: Police Auditor Update

Deputy Police Auditor Leia Pitcher provided information about the Police Auditor Update.

Council Discussion:

- Councilor Zelenka – asked about the dramatic increase in minor complaints; asked about the frequency of CRB and Police Auditor disagreements with the Police Chief on adjudication; inquired about the influence the groups have on police policy.
- Councilor Yeh – asked about the statistic indicating that internal complaints in EPD are going down each year.
- Councilor Evans – asked if staff were keeping count of the number of complaints police are responding to for homeless camps; inquired if there more homeless people coming in to lodge complaints against the police; discussed the claim that the City is creating an atmosphere where it is criminalizing the homeless.

The meeting adjourned at 6:55 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Julie Adams)

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

MINUTES

**Eugene City Council
Virtual Work Session
Eugene, Oregon 97401**

**November 18, 2020
12:00 p.m.**

Councilors Present: Emily Semple, Betty Taylor, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Claire Syrett and Chris Pryor

Mayor Vinis opened the November 18, 2020, work session of the Eugene City Council.

1. WORK SESSION: Eugene Municipal Court Update

Municipal Court Presiding Judge Greg Gill gave an update on Eugene Municipal Court operations.

Councilor Evans joined the meeting at 12:05 p.m.

Council Discussion:

- Councilor Clark – thanked Judge Gill and Municipal Court staff; asked clarifying questions about the court docket and its timeframe; asked if Municipal Court has learned any new practices from Circuit Court.
- Councilor Syrett – stated she is impressed by the work of Judge Gill and Municipal Court staff and pleased to hear that a virtual court can continue as the community moves out of the pandemic.
- Councilor Semple – asked questions regarding court access; asked why minor offenses are brought in front of a judge in a month when other trials are waiting until March for a court date.
- Councilor Zelenka – thanked Judge Gill and staff; expressed appreciation that a virtual court can continue after the pandemic; asked if justice is still being served during the pandemic.
- Councilor Taylor – stated it disturbs her to hear that people are cited and fined for smoking marijuana when people who are doing things to other people get by.

Mayor Vinis adjourned the meeting at 1:00 p.m. to allow Council to transition in the virtual format.

Mayor Vinis reconvened the meeting at 1:04 p.m.

2. EXECUTIVE SESSION: Pursuant to ORS 192.660(2)(e)

The City Council met in Executive Session held pursuant to ORS 192.660(2)(e) to deliberate with persons designated to negotiate real property transactions.

The meeting adjourned at 1:39 p.m.

Respectfully submitted,

Beth Forrest
City Recorder

(Recorded by Jessica Gebb)

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

MINUTES – Eugene City Council
Work Session

November 18, 2020

Page 1

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Approval of Tentative Working Agenda

Meeting Date: December 14, 2020
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 3B
Staff Contact: Beth Forrest
Contact Telephone Number: 541-682-5882

ISSUE STATEMENT

This is a routine item to approve the City Council Tentative Working Agenda.

BACKGROUND

On July 31, 2000, the City Council held a process session and discussed the Operating Agreements. Section 2 notes, in part, that “The City Manager shall recommend monthly to the council which items should be placed on the council agenda. This recommendation shall be placed on the consent calendar at the regular City Council meetings (regular meetings are those meetings held on the second and fourth Monday of each month in the Council Chamber). If the recommendation contained in the consent calendar is approved, the items shall be brought before the council on a future agenda. If there are concerns about an item, the item may be pulled from the consent calendar at the request of any councilor or the Mayor. A vote shall occur to determine if the item should be included as future council business.” Scheduling of this item is in accordance with the Council Operating Agreements.

RELATED CITY POLICIES

There are no policy issues related to this item.

COUNCIL OPTIONS

The council may choose to approve, amend or not approve the tentative agenda.

CITY MANAGER’S RECOMMENDATION

The City Manager has no recommendation on this item.

SUGGESTED MOTION

Move to approve the items on the Tentative Working Agenda.

ATTACHMENTS

A. Tentative Working Agenda

FOR MORE INFORMATION

Staff Contact: Beth Forrest

Telephone: 541-682-5882

Staff E-Mail: bforrest@eugene-or.gov



City Council Tentative Agenda

Updated December 9, 2020

**** SPECIAL NOTICE ****

Due to Governor Kate Brown's Stay Home, Save Lives Executive Order to combat the spread of Covid-19, all City Council meetings will be held remotely, using virtual meeting technology. Information about how to access these meetings will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>.

December 2020					
Date	Day	Time	Title	Length	Dept. Contact
14-Dec	Monday	5:30 pm	 Ambulance Transport Fund and Ground Emergency Medical Transportation Update (Work Session)	45 mins	Chief Heppel, Fire
			 Executive Session Pursuant to ORS 192.660(2)(i)  Police Auditor Performance Evaluation (Work Session)	45 mins	Randi Bowers-Payne, CS
14-Dec	Monday	7:30 pm	 Ceremonial Matter		Finn Cronin, CS Beth Forrest, CS Ellen Meyi-Galloway, PDD Finn Cronin, CS Elizabeth Butterfield, CS
			 Committee Reports and Items of Interest		
			 Resolution Acknowledging Receipt of FY20 Comprehensive Annual Financial Report (Consent Calendar 1)		
			 Resolution Adopting Updated Operating Agreements (Consent Calendar 1)		
			 Resolution Approving Low Income Rental Housing Property Tax Exemption for Iris Place (SVDP) (Consent Calendar 1)		
			 Public Forum		
			 URA - Resolution Acknowledging Receipt of the FY20 URA Annual Financial Report (Action)		
			 URA-Resolution Adopting Supplemental Budget 2 (Public Hearing and Action)		



Work Session



Action



Public Hearing



Public Forum



Consent Calendar



Committee Reports/Items of Interest



CC Agenda Page 25



Ceremonial Matters



Pledge of Allegiance

			 Resolution Adopting Supplemental Budget (Public Hearing and Action)		Elizabeth Butterfield, CS
			 Riverfront Discussion (<i>tentative</i>)		Sarah Medary, CM
Expected absences for 12/14: none					
16-Dec	Wednesday	12 pm	 Economic Recovery Strategies: Flexible Emergency Loan Fund for Small Businesses (Work Session)	45 mins	Anne Fifield, PDD
			 Economic Recovery Strategies: Construction Projects Local Stimulus Package (Work Session)	45 min	Anne Fifield, PDD
Expected absences for 12/16: none					

Council Break: December 17 – January 6

January 2021						
Date	Day	Time	Title		Length	Dept. Contact
6-Jan	Wednesday	5:30 p.m.	State of the City Address			Niyah Ross, CS
Expected absences for 1/6: none						
11-Jan	Monday	5:30 pm	 Equity in Community Engagement (Work Session)	45 mins	Mike Kinnison, CS	
			 Report from Police Commission (Work Session)	45 mins	Jeremy Cleversey, EPD	
		7:30 pm	Election of 2021 Council Officers			
			 Ceremonial Matter - APWA Re-Accreditation			
			 Committee Reports and Items of Interest			
			 Approval of Funding and Use of City Resources for Housing Affordable to Low-Income Persons (Consent Calendar 1)		Ellen Meyi-Galloway, PDD	
			 Resolution Approving Low-Income Rental Housing Property Tax Exemption for Hope Circle (Consent Calendar 1)		Ellen Meyi-Galloway, PDD	
			 Resolution Approving Low-Income Rental Housing Property Tax Exemption for Mary Skinner Apartments (Consent Calendar 1)		Ellen Meyi-Galloway, PDD	
			 Public Forum			
Expected absences for 1/11: none						

13-Jan	Wednesday	12 pm	 Homeless Services Update (Work Session)	60 mins	Peter Chavannes, CS
			 TBD (Work Session)	30 mins	
<i>Expected absences for 1/13: none</i>					
19-Jan	Tuesday	5:30 pm	Schedule only as needed		
		7:30 pm	 TBD (Public Hearing)		
<i>Expected absences for 1/19: none</i>					
20-Jan	Wednesday	12 pm	 Naming Policy (Work Session)	45 mins	Jason Dedrick, CS
			 TBD (Work Session)	45 mins	
<i>Expected absences for 1/20: none</i>					
25-Jan	Monday	5:30 p.m.	 Middle Housing (Work Session)	90 mins	Terri Harding, PDD
		7:30 pm	 Committee Reports and Items of Interest  Public Forum  Resolution Approving Low-Income Rental Housing Property Tax Exemption for Garfield Park Apts. (Consent Calendar 1)		Ellen Meyi-Galloway, PDD
<i>Expected absences for 1/25: none</i>					
27-Jan	Wednesday	12 pm	 Commercial Setbacks (Work Session)	45 mins	Chad Cramer, PDD
			 URA – Riverfront Urban Renewal Follow-Up (Work Session)	45 mins	Amanda Noble, PDD
<i>Expected absences for 1/27: none</i>					

February 2021						
Date	Day	Time	Title		Length	Dept. Contact
8-Feb	Monday	5:30 pm	 TBD (Work Session)	45 mins		
			 TBD (Work Session)	45 mins		
		7:30 pm	 Committee Reports and Items of Interest  Public Forum			
Expected absences for 2/8: none						

10-Feb	Wednesday	12 pm	 Joint Meeting with Lane County Commissioners on Homeless Services (Work Session)	90 mins	Sarai Johnson, CS
Expected absences for 2/10: none					
16-Feb	Tuesday	5:30 pm	Schedule only as needed		
		7:30 pm	 TBD (Public Hearing)		
Expected absences for 2/16: none					
17-Feb	Wednesday	12 pm	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
Expected absences for 2/17: none					
22-Feb	Monday	5:30 p.m.	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
		7:30 pm	 Committee Reports and Items of Interest  Public Forum		
Expected absences for 2/22: none					
24-Feb	Wednesday	12 pm	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
Expected absences for 2/24: none					

March 2021						
Date	Day	Time	Title		Length	Dept. Contact
8-Mar	Monday	5:30 pm	 TBD (Work Session)	45 mins		
			 TBD (Work Session)	45 mins		
		7:30 pm	 Committee Reports and Items of Interest  Public Forum			
Expected absences for 3/8: none						

10-Mar	Wednesday	12 pm	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
<i>Expected absences for 3/10: none</i>					

Council Break: March 11 – April 12

April 2021						
Date	Day	Time	Title		Length	Dept. Contact
12-Apr	Monday	5:30 pm	 TBD (Work Session)	45 mins		
			 TBD (Work Session)	45 mins		
		7:30 pm	 Committee Reports and Items of Interest  Public Forum			
Expected absences for 4/12: none						
14-Apr	Wednesday	12 pm	 TBD (Work Session)	45 mins		
			 TBD (Work Session)	45 mins		
Expected absences for 4/14: none						
19-Apr	Monday	5:30 pm	Schedule only as needed			
		7:30 pm	Hold for Boards and Commissions Interviews			
Expected absences for 4/19: none						
21-Apr	Wednesday	12 pm	 TBD (Work Session)	45 mins		
			 TBD (Work Session)	45 mins		
Expected absences for 4/21: none						
26-Apr	Monday	5:30 p.m.	 TBD (Work Session)	45 mins		
			 TBD (Work Session)	45 mins		
		7:30 pm	 Committee Reports and Items of Interest  Public Forum			

<i>Expected absences for 4/26: none</i>					
28-Apr	Wednesday	12 pm	 TBD (Work Session)	45 mins	
			 TBD (Work Session)	45 mins	
<i>Expected absences for 4/28: none</i>					

 Work Session	 Action	 Public Hearing	 Public Forum	 Consent Calendar
 Committee Reports/Items of Interest	 Ceremonial Matters	 Pledge of Allegiance		

Approved Work Session Polls to be Scheduled	Councilor	Date Approved
"Housing Status" as a Protected Class – <i>follow-up TBD</i>	Semple	03/12/20
Flexible Emergency Loan Fund for Small Businesses – <i>scheduled 12/16</i>	Evans	04/23/20
Equity in Community Engagement – <i>scheduled 01/11</i>	Yeh	08/06/20
City of Eugene Construction Projects Local Stimulus Package – <i>scheduled 12/16</i>	Zelenka	08/13/20
Urban Forestry Program	Syrett	12/03/20
Follow-Up Work Sessions to be Scheduled		
TAC Implementation – <i>ongoing</i>		
Commercial Setbacks – <i>follow-up TBD</i>		
Naming Policy – <i>01/20</i>		

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Resolution Acknowledging Receipt of City of Eugene, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2020

Meeting Date: December 14, 2020
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 3C
Staff Contact: Ying Li
Contact Telephone Number: 541-682-5026

ISSUE STATEMENT

This is a resolution acknowledging receipt of the City of Eugene, Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020. This resolution demonstrates compliance with ORS 297.465(2), which requires that a copy of the City's CAFR, containing a signed expression of opinion, be furnished to each member of the governing body. The resolution is included as Attachment A.

BACKGROUND

Under Oregon Municipal Audit Law, the City is required each fiscal year to contract with an authorized accounting firm for the audit of its accounts and fiscal affairs (ORS 297.425). The firm of Isler CPA (auditors) has completed the audit of the City of Eugene's financial statements for the fiscal year ended June 30, 2019 and issued an unmodified opinion (also known as a "clean opinion") on the basic financial statements.

One of the most important components of the CAFR is the audit opinion. The auditors have issued two audit reports which can be found on pages 9-11 and pages 165-166 of the CAFR. In the first report, the auditors have issued an unmodified opinion on the City's basic financial statements, indicating that the City has prepared these statements in conformity with generally accepted accounting principles (GAAP). GAAP for state and local governments is promulgated by the Governmental Accounting Standards Board to ensure consistency in accounting and comparability in financial reporting among state and local governments. A clean opinion is a fundamental financial goal for every government, as it represents the highest level of opinion a government can receive from its independent auditors. A clean opinion is an important indicator of sound financial management and creditworthiness to the citizens, other governmental jurisdictions (state and federal), credit rating agencies, investment bankers, bond holders, and other private sector entities. For policy makers, a clean opinion means that the information in the CAFR is accurate and reliable.

In the second report, the auditors address the City's compliance with applicable provisions of Oregon Revised Statutes including requirements related to debt, deposit of public funds, preparation and adoption of the budget, accounting records and the related internal control

structure, etc. The auditors noted that nothing came to their attention that caused them to believe that the City was not in compliance with state regulations.

The auditors conduct the audit of the City's basic financial statements in accordance with generally accepted auditing standards and the Minimum Standards for Audits of Oregon Municipal Corporations. In addition, as a recipient of federal grants, the City is subject to the Federal Single Audit Act of 1984, which requires that the audit be conducted in accordance with Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). These standards and the Uniform Guidance require that the auditors plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement and whether the City complied with the laws and regulations pertaining to federally funded programs. In addition to state and federal requirements, the City has a contractual obligation in connection with its debt issuances which requires that the City issue annual audited financial statements.

Two additional reports, beginning on page 169, specifically address compliance with Federal laws, regulations, contracts and grants, and indicate that the auditors found no material instances of the City's noncompliance with these requirements, nor were there any findings or questioned costs noted in relation to Federal awards made to the City.

Management is responsible for the information contained in, and the preparation of, the City's financial statements. To effectively fulfill this responsibility and to contain the cost of auditor services, City staff devotes significant effort to the closing of accounting records, the preparation of schedules and audit workpapers, and the production of the CAFR. This also results in staff expertise being developed on specific financial and service issues that can then be used to assist departments and other pertinent parties.

Professional requirements mandate auditors provide a report to the governing body that addresses any concerns or findings they encountered in such audit-related issues as significant audit findings, accounting estimates and disagreements with management. Isler CPA's memo addressing these issues for fiscal year 2020 is included as Attachment B and it states that there were no concerns that required communication to the Council.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Eugene for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. This was the 43rd consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR, which satisfies both generally accepted accounting principles and applicable legal requirements. In addition, the requirements for the certificate provide much of the information needed for the City's credit assessments.

One piece of information of particular interest to Council may be the most recent accounting of the General Fund fund balance. Attachment C includes updated fund balance statistics for FY20 along with changes from the prior year statistics.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends adoption of the Resolution.

SUGGESTED MOTION

Move to approve a resolution acknowledging receipt of the Comprehensive Annual Financial Report (CAFR) for the City of Eugene, for the fiscal year ended June 30, 2020.

ATTACHMENTS

- A. Comprehensive Annual Financial Report
- B. Resolution
- C. Copy of the Isler CPA memo
- D. Information on General Fund, Fund Balance Trends

FOR MORE INFORMATION

Staff Contact: Ying Li
Telephone: 541-682-5026
Staff E-Mail: YLi@eugene-or.gov



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2020



City of Eugene, Oregon
Sarah Medary, City Manager



COMPREHENSIVE ANNUAL FINANCIAL REPORT
CITY OF EUGENE, OREGON
FISCAL YEAR ENDED JUNE 30, 2020



REPORT PREPARED BY THE CITY
FINANCE DIVISION

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CITY OF EUGENE, OREGON
Comprehensive Annual Financial Report
Year ended June 30, 2020

Table of Contents

	<u>Exhibit</u>	<u>Pages</u>
<i>INTRODUCTORY SECTION</i>		
Letter of Transmittal		1 - 5
GFOA Certificate of Achievement		6
Organizational Chart		7
Principal City Officials		8
<i>FINANCIAL SECTION</i>		
Independent Auditor's Report		9 - 11
Management's Discussion and Analysis		13 - 21
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Position	1	23
Statement of Activities	2	24
Fund Financial Statements:		
Balance Sheet - Governmental Funds	3	25
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	4	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	5	27
Statement of Fund Net Position - Proprietary Funds	6	28 - 29
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	7	31
Statement of Cash Flows - Proprietary Funds	8	32 - 33
Notes to Basic Financial Statements		34 - 83
Required Supplementary Information:		
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:		
General Fund	A-1	85

CITY OF EUGENE, OREGON
Comprehensive Annual Financial Report
Year ended June 30, 2020

Table of Contents

	<u>Exhibit</u>	<u>Pages</u>
<i>FINANCIAL SECTION, CONTINUED</i>		
Required Supplementary Information, continued:		
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual, continued:		
Community Development Fund	A-2	86
Notes to Required Supplementary Information		87 - 89
Other Supplementary Information:		
<i>Nonmajor Governmental Funds Combining Statements:</i>		
Combining Balance Sheet	B-1	91
Combining Statement of Revenues, Expenditures, and	B-2	92
<i>Special Revenue Funds:</i>		
Combining Balance Sheet - Nonmajor Special Revenue Funds	C-1	93
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds	C-2	94
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:		
Community Safety Fund	C-3	95
Construction and Rental Housing Fund	C-4	96
Library Local Option Levy	C-5	97
Library, Parks, and Recreation Fund	C-6	98
Parks and Recreation Local Option Levy	C-7	99
Public Safety Communications Fund	C-8	100
Road Fund	C-9	101
Solid Waste and Recycling Fund	C-10	102
Special Assessment Management Fund	C-11	103
Telecom Registration and Licensing Fund	C-12	104
Urban Renewal Agency General Fund	C-13	105
Urban Renewal Agency Riverfront Fund	C-14	106

CITY OF EUGENE, OREGON
Comprehensive Annual Financial Report
Year ended June 30, 2020

Table of Contents

	<u>Exhibit</u>	<u>Pages</u>
<i>FINANCIAL SECTION, CONTINUED</i>		
Other Supplementary Information, continued:		
<i>Special Revenue Funds, continued:</i>		
Urban Renewal Agency Riverfront Program Revenue Fund	C-15	107
<i>Debt Service Funds:</i>		
Combining Balance Sheet - Nonmajor Debt Service Funds	D-1	109
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Debt Service Funds	D-2	110
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:		
General Obligation Debt Service Fund	D-3	111
Miscellaneous Debt Service Fund	D-4	112
Special Assessment Bond Debt Service Fund	D-5	113
Urban Renewal Agency Debt Service Fund	D-6	114
<i>Capital Projects Funds:</i>		
Combining Balance Sheet - Nonmajor Capital Projects Funds	E-1	115
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Capital Projects Funds	E-2	116
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:		
General Capital Projects Fund	E-3	117
Special Assessment Capital Projects Fund	E-4	118
Systems Development Capital Projects Fund	E-5	119
Transportation Capital Projects Fund	E-6	120
Urban Renewal Agency Capital Projects Fund	E-7	121
Urban Renewal Agency Riverfront Capital Projects Fund	E-8	122

CITY OF EUGENE, OREGON
Comprehensive Annual Financial Report
Year ended June 30, 2020

Table of Contents

	<u>Exhibit</u>	<u>Pages</u>
 <i>FINANCIAL SECTION, CONTINUED</i>		
Other Supplementary Information, continued:		
<i>Enterprise Funds:</i>		
Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual:		
Ambulance Transport Fund	F-1	123
Municipal Airport Fund	F-2	124
Parking Services Fund	F-3	125
Stormwater Utility Fund	F-4	126
Wastewater Utility Fund	F-5	127
 <i>Internal Service Funds:</i>		
Combining Statement of Net Position	G-1	129
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	G-2	131
Combining Statement of Cash Flows	G-3	132 - 133
Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual:		
Facilities Services Fund	G-4	134
Fleet Services Fund	G-5	135
Information Systems and Services Fund	G-6	136
Professional Services Fund	G-7	137
Risk and Benefits Fund	G-8	138
 Other Supplementary Schedules:		
Schedule of Bonded Debt Transactions	H-1	140 - 141

CITY OF EUGENE, OREGON
Comprehensive Annual Financial Report
Year ended June 30, 2020

Table of Contents

	<u>Exhibit</u>	<u>Pages</u>
<i>STATISTICAL TABLES SECTION</i>		
Government-wide Information:		
Net Position by Component	I-1	143
Changes in Net Position	I-2	144 - 145
Fund Information:		
Fund Balances - Governmental Funds	I-3	147
Changes in Fund Balances - Governmental Funds	I-4	148 - 149
Taxable Assessed Value and Actual Value of Property	I-5	150
Direct and Overlapping Property Tax Rates	I-6	151
Property Tax Levies and Collections	I-7	152
Ten Principal Property Taxpayers	I-8	153
Ratio of Outstanding Debt by Type	I-9	154
Ratio of General Bonded Debt Outstanding	I-10	155
Direct and Overlapping Governmental Activities Debt	I-11	156
Legal Debt Margin - General Obligation Bonded Debt	I-12	157
Demographic and Economic Statistics	I-13	158
Ten Principal Employers	I-14	159
City Government Employees by Function/Program	I-15	160
Operating Indicators by Function/Program	I-16	161
Capital Asset Statistics by Function/Program	I-17	162

AUDIT COMMENTS AND GOVERNMENT AUDITING STANDARDS SECTIONS

Audit Comments:

Independent Auditor's Report Required by Oregon State Regulations	165 - 166
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CITY OF EUGENE, OREGON
Comprehensive Annual Financial Report
Year ended June 30, 2020

Table of Contents

	<u>Exhibit</u>	<u>Pages</u>
<i>AUDIT COMMENTS AND GOVERNMENT AUDITING STANDARDS SECTIONS, CONTINUED</i>		
Government Auditing Standards:		
Government Auditing Standards Report:		
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		169 - 170
OMB Uniform Guidance (Single Audit) Report:		
Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance		173 - 174
Schedule of Findings and Questioned Costs		175
Schedule of Expenditures of Federal Awards	J-1	176 - 178
Notes to Schedule of Expenditures of Federal Awards		179



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November 25, 2020

Citizens of Eugene
The Honorable Lucy Vinis, Mayor
Members of the City Council
Sarah Medary, City Manager

It is my pleasure to submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Eugene, Oregon, for the fiscal year ended June 30, 2020.

Local ordinances and state statutes require that the City of Eugene issue a report on its financial position and activity within six months of the close of each fiscal year. In addition, this report must be audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants.

This report consists of management's representations concerning the finances of the City. Consequently, responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To provide a reasonable basis for making these representations, management has established an internal control structure designed to safeguard City assets against loss, theft, or misappropriation, and to ensure the reliability of financial records for preparing financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure has been designed to provide reasonable, but not absolute, assurance that these objectives are being met. The concept of reasonable assurance recognizes that:

- The cost of the control structure should not exceed the benefits likely to be derived; and
- The evaluation of cost and benefits requires estimates and judgments by management.

I believe that the City's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions. To the best of my knowledge, the enclosed data is presented accurately in all material respects, along with the disclosures necessary to provide the reader with a reasonable understanding of the City's financial affairs.

The City's financial statements were audited by Isler CPA, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2020 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's basic financial statements for the fiscal year ended June 30, 2020, are fairly presented, in all material respects, in conformity with GAAP. The independent auditor's report on the Basic Financial Statements is included in the Financial Section of this report.

In addition to meeting the requirements set forth above, the independent audit also was designed to meet the special needs of federal grantor agencies as provided for in the Federal Single Audit Act and the Office of Management and Budget's (OMB) Uniform Guidance. These standards require the independent auditor not only report on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on the administration of federal awards. The results of the independent audit for the fiscal year ended June 30, 2020 indicated no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations. The independent auditor's reports related specifically to the Single Audit and OMB Uniform Guidance are included in the Government Auditing Standards Section.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the Basic Financial Statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report on the basic financial statements.

City Overview

The City of Eugene was incorporated in 1862, and the citizens adopted the Council/Manager form of government in 1944. The City Council develops legislation and policies to direct the City organization and hires a professional manager (the City Manager) to oversee City of Eugene personnel and operations. The Mayor is elected at-large to a four-year term and acts as the formal representative of the City and presides over City Council meetings. The City Council has eight members elected by ward to four-year terms, with one-half of the council elected every two years.

As of July 1, 2019, 171,210 people resided within Eugene's municipal boundaries, making it Oregon's second largest city. City boundaries encompassed 44.35 square miles in Lane County. The Willamette River runs through the heart of the City and the McKenzie River joins the Willamette to the north of the City. Eugene is the center of government and education including County, State and Federal government agencies, and is home to the University of Oregon.

The City provides a full range of municipal services. These services include police, fire, emergency medical services, municipal court, community planning and development, parks and open space, library, recreational and cultural activities, airport, wastewater treatment, stormwater management, general public works and administration, along with other functions associated with a full-service municipal government. These services are provided primarily to citizens who live within the corporate limits. However, many of the services and facilities operated by the City are provided for and financed by regional service areas larger than the City. As allowed by state statutes, the City levies a property tax on real and personal property located within its boundaries.

For financial reporting purposes, the City includes all funds subject to appropriation by the City Council. In addition, the City includes all governmental organizations and activities for which the City Council is financially accountable. The City Council also serves as the Urban Renewal Agency Board. Therefore, the financial statements of the Urban Renewal Agency of the City of Eugene, although legally separate, have been combined with those of the City proper by including them in the appropriate statements and schedules in this report.

For financial planning and control, the City prepares and adopts an annual budget in accordance with Oregon Revised Statutes 294.305 through 294.565. Local government budgeting in Oregon is a joint effort between the people affected by the budget and the appointed and elected officials responsible for adopting the budget. Elected and appointed officials determine the allocation of resources among the service areas. The State of Oregon Department of Revenue ensures that the budget is prepared according to the Oregon Local Budget Law. Citizens provide input to advocate for funding for programs they want and need.

To give the public ample opportunity to participate in the budgeting process, local budget law requires that a Budget Officer be appointed, and a Budget Committee be formed. The Budget Officer draws together necessary information and prepares the first draft of the budget. The City Manager serves as the Budget Officer. The Budget Committee then reviews and revises the proposed budget before making its recommendations to the City Council. Notices are published, budgets are made available for review, and at least two public hearings are held – one hearing is held before the Budget Committee, which is composed of the eight City Councilors and eight appointed citizen members, and one hearing is held before the City Council. Additionally, opportunities for public testimony are provided at many Budget Committee meetings.

The legally adopted budget is at the fund and department level for operating expenditures, with separate appropriations established for capital projects and non-departmental expenditures such as debt service, interfund transfers, and special payments. Budgetary controls are administered internally at a more restrictive level. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. For the General Fund and the Community Development Fund, this comparison is presented as required supplementary information in this report. For all other funds, this comparison is presented as other supplementary information.

Local Economy

Eugene is the largest city in Lane County and the second largest city in Oregon, representing 45.2% of the county's and 4.0% of the state's population. After years of job growth, the Eugene area has experienced a surge of high unemployment due to the novel coronavirus. The unemployment rate in Eugene-Springfield MSA rose from 4.2% in 2019 to 11.8% in June 2020. At the time of publication, the duration of the pandemic and the resulting economic slowdown are unknown. Eugene's economic recovery will likely resemble the state's; in past years Eugene's annual job growth has been equal to, or slightly lower than, that of Oregon.

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

Federal, state and county government agencies provide stable employment for the local community, and the health care and social assistance sector comprises the largest employment base in the city. Eugene is home to Lane Community College, Bushnell University (formerly Northwest Christian University), and the University of Oregon. UO employs thousands of full-time workers, and brings a large population of students to live, work, and recreate in Eugene. In the fall term of the 2019-20 academic year, 22,615 students were enrolled at UO. UO plans to open the \$1.0 billion Phil and Penny Knight Campus for Accelerating Scientific Impact in late 2020. The Knight Campus is designed to foster collaboration between the next generation of scientists, industry and scientific entrepreneurs to improve the quality of life for Oregonians, the nation and the world.

Other planned developments have not been halted due to the novel coronavirus pandemic, signifying long-term growth in Eugene's economic foundation. Eugene's Downtown Riverfront is undergoing a major transformation, fulfilling the community's long-held vision of turning a vacant riverfront lot into a vibrant, active and accessible riverfront neighborhood and community destination. Sixteen acres of riverfront property will become Eugene's riverfront neighborhood; directly connecting our downtown and campus areas to the river. In downtown Eugene, a \$60.0 million 5th Street Public Market expansion will expand housing, retail and office space, as well as hospitality. Additionally, the City is leading an inclusive public involvement process to design a new Town Square that includes improvements to the Downtown Park Blocks, infrastructure for an all-season Farmer's Market and space for a new Eugene City Hall.

In 2022, we will celebrate Eugene's long history as "Track Town USA" when the World Athletics Championships ("Oregon22") comes to Eugene—the largest sporting event in the world in that year. This is the very first time this event will take place on U.S. soil. The prior three events were hosted in Beijing, China; London, England; and Doha, Qatar. Originally scheduled for 2021, the World Athletics Championships were pushed out a year due to the global impacts of COVID-19. Oregon22 includes ten full days of competition with 49 events in total and will attract approximately 2,000 athletes from almost every country in the world. An estimated 3,000 people from media and broadcasting will attend and bring the event to billions of viewers around the world. To prepare, the University of Oregon completed a donor-funded \$200.0 million renovation of its famous Hayward Field facility to more than double the spectator capacity. This event is simultaneously Eugene and Oregon's once-in-a-lifetime opportunity to both welcome and inspire the world for generations to come.

Long-term Financial Planning

The City of Eugene recognizes the importance of strategic long-term financial planning. Each year, forecasts are prepared to estimate the financial health of significant funds for the next six fiscal years. These forecasts are designed to inform policy makers about the long-term impacts of pending budget decisions and other potential financial dynamics for City operations. The largest fund is the General Fund, which is the general operating fund for the City.

In preparation for the FY21 budget, the General Fund forecast was updated to provide policy makers with the financial outlook for the fund. The economic downturn caused by the COVID-19 pandemic is expected to lead to reduced revenue in the General Fund in the coming years. The forecast shows expenditures are greater than revenues in FY21. Beyond FY21, the current forecast incorporates an ongoing reduction strategy of \$2.2 million in FY22, followed by an additional \$1.9 million in FY23, and another \$3.5 million in FY24. This \$7.6 million reduction strategy is intended to mitigate anticipated revenue shortfalls and economic uncertainty over the forecast period. Finance staff continue to analyze and monitor the changing economic landscape and related impacts to the City's financial condition. As events unfold in this uncertain time, the only constant is change.

In March 2019, the City Council approved the FY20-25 *Capital Improvement Program* (CIP). The CIP forecasts the City's capital needs over a six-year period based on various long-range plans, goals, and policies. The underlying strategy of the CIP is to plan for land acquisition, construction, and major maintenance of public facilities necessary for the safe and efficient management of City assets. A critical element of a balanced CIP is the provision of funds to preserve or enhance existing facilities and provide new assets which will help the City respond to changing service needs and community growth. The program is approved every other year and serves as the basis for the capital budget for the next two fiscal years.

The City also recognizes the need to be thoughtful and deliberate in planning future debt levels. As a result, the City has developed a *Debt Capacity Analysis*. This study looks at not just the legally allowable level of debt, but the level of debt that the community would consider affordable, given the community's ability and willingness to pay for that debt. The Budget Committee adopted a debt policy limit of net direct debt of no more than 1.0% of real market value of property. The *Debt Capacity Analysis* measures future debt plans against this debt policy limit to determine whether those plans are considered affordable. The City's net direct debt to real market value was 0.14% at the end of FY19. As of June 30, 2019, there was \$90.1 million of total debt and \$41.4 million of net direct outstanding. This leaves about \$247.0 million of additional capacity for debt issuance within the Budget Committee policy limits. In June 2020, the City issued \$12.0 million of bonds to pay for a portion of the infrastructure in the Downtown Riverfront redevelopment site. The City will use funds received from the Urban Renewal Agency as the repayment source for the bonds.

Major New Initiatives

The City strives to make progress on all of the City Council goals, as circumstances and funding allow. A number of the major new initiatives reflect these efforts.

Community Safety

The Eugene City Council passed the Community Safety Payroll Tax Ordinance (No. 20616) in June 2019 to provide long-term funding for community safety services. The body also approved an 18-month bridge funding strategy, totaling \$8.6 million for FY19 and FY20, designed to address critical community safety needs until the payroll tax is implemented on January 1, 2021. Over time, the Community Safety Payroll Tax is expected to generate \$23.6 million annually to provide faster and more efficient safety responses, deter crime, connect people to services, engage and help at-risk youth, support more investigations and court services, add jail beds to reduce capacity-based releases and hold those who commit crimes accountable. Staff will be engaging with a broad range of community members in the Fall of 2020 to discuss community priorities in relation to this funding along with on-going community outreach and engagement.

Some of the public safety service expansion that has taken place under the bridge funding strategy includes creating a citywide Street Crimes Unit, adding Community Service Officers and 911 Call Center personnel, and increasing funding for Ambulance Transport, Municipal Court and City Prosecutor services. The City has also used these funds to increase community access to prevention services, including Youth Inclusion Service, the Community Court program and the Community Outreach Response Team partnership of the Eugene Police Department and White Bird Clinic. Finally, the bridge funding has allowed the City of Eugene to expand homelessness support services. These include a year-round Dusk to Dawn safe-sleeping program, a Day Resource Center and ongoing support for programs serving people experiencing homelessness.

Downtown Riverfront

Eugene's Downtown Riverfront is amid a major transformation, fulfilling the community's long-held goal of turning vacant, inaccessible and former utility acreage into a vibrant, active and accessible riverfront neighborhood and community destination. The 20-acre redevelopment of the Downtown Riverfront has been a part of the community's vision for decades and reinforced through numerous public engagement opportunities over several years. One of the priorities the City heard most clearly in talking to the community about the future of parks and recreation is providing access to the river for everything from recreation to simply enjoying the views. The three-acre Downtown Riverfront Park and one-acre Plaza will be the heart of the greater riverfront development that reimagines a new, vibrant future and will, once again, unite the city with the river. Construction of the three-acre linear park, utilities, and roads began in May 2020 and is expected to be completed in 2021.

Homelessness and Human Services

Over the last year, the City has been increasing its strategic investments and collaborative efforts to build and strengthen our community's homeless response system. In January 2019, the Technical Assistance Collaborative (TAC) provided a report to the City and Lane County that included ten specific recommendations to reduce the number of people experiencing unsheltered homelessness in Lane County. Since the report was issued, the City and County have been continuing to partner on our strategic efforts to improve the overall homelessness services system and increase the number of shelter beds and housing units available to people experiencing homelessness. In July 2019, City Council approved the allocation of \$1.9 million previously earmarked for implementation of efforts related to the TAC report, including purchasing an erecting a structure to function as a low-barrier emergency shelter and Navigation Center. Other TAC report-related efforts include piloting a new street outreach team, funding a Joint Housing and Shelter Strategist position for three years, piloting a landlord partnership program, and creating a contingency fund for emergent needs and opportunities. The City is also continuing to support ongoing strategies including downtown day storage, a day resource center, an overnight parking program, a rest stop program, and Opportunity Village Eugene. City staff are continually looking for ways to make new strategic and impactful investments to support the unhoused and our broader community in addressing homelessness and its impacts, particularly in our current public health environment.

Climate Recovery

City Council passed the Climate Recovery Ordinance (CRO) in 2014, making Eugene one of the first cities in the country to include climate action goals in its City Code. The CRO includes four climate action goals which call for the City to be carbon neutral in its operations by 2020, a 50-percent reduction of fossil fuel use by 2030 compared to 2010 for City operations and community-wide, and for the community to reduce greenhouse gas emissions (GHGs) by 7.6-percent annually. Over the past six fiscal years, the Sustainability Program received approximately \$700,000 in funding to complete projects including updates to the City's Internal Climate Action Plan and the Community Climate Action Plan 2.0 (CAP 2.0). These resources also fund regular GHG inventories, which track progress toward the CRO goals. With completion of the CAP 2.0, staff will continue to work with the community as the City shifts from publishing the plan to implementation.

Every City department has made progress in recent years toward climate recovery. Public Works leads the implementation of the Transportation System Plan, while the Facilities Management Division in Central Services is working to implement recommendations from the Facilities Internal Climate Action Plan. The Fire and Emergency Medical Services Department is using an all-electric “rapid responder” vehicle as part of its emergency response fleet. The Eugene Police Department transitioned to an all-electric HVAC system, replacing the former compressed natural gas system. Finally, the Planning and Development Department and the Library, Recreation and Cultural Services Department are both at the helm of community-based endeavors to reduce waste, reuse goods and reduce the community’s carbon footprint.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Eugene for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. This was the 44th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet these standards of excellence and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its adopted budget document for FY20. In order to qualify for the Award, the budget document was judged to be proficient in several categories as a policy document, financial plan, operations guide, and communications device. The City has received this award for 37 years and is one of the few jurisdictions in the country to have received this recognition every year since its inception.

Acknowledgments

The Finance Division has the responsibility for preparing the Comprehensive Annual Financial Report. I appreciate and thank all staff who assisted and contributed to the report's presentation. I would also like to thank the Mayor, members of the City Council and Budget Committee, the City Manager and Executive Team for their interest and support in managing the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Twylla Miller
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Eugene
Oregon**

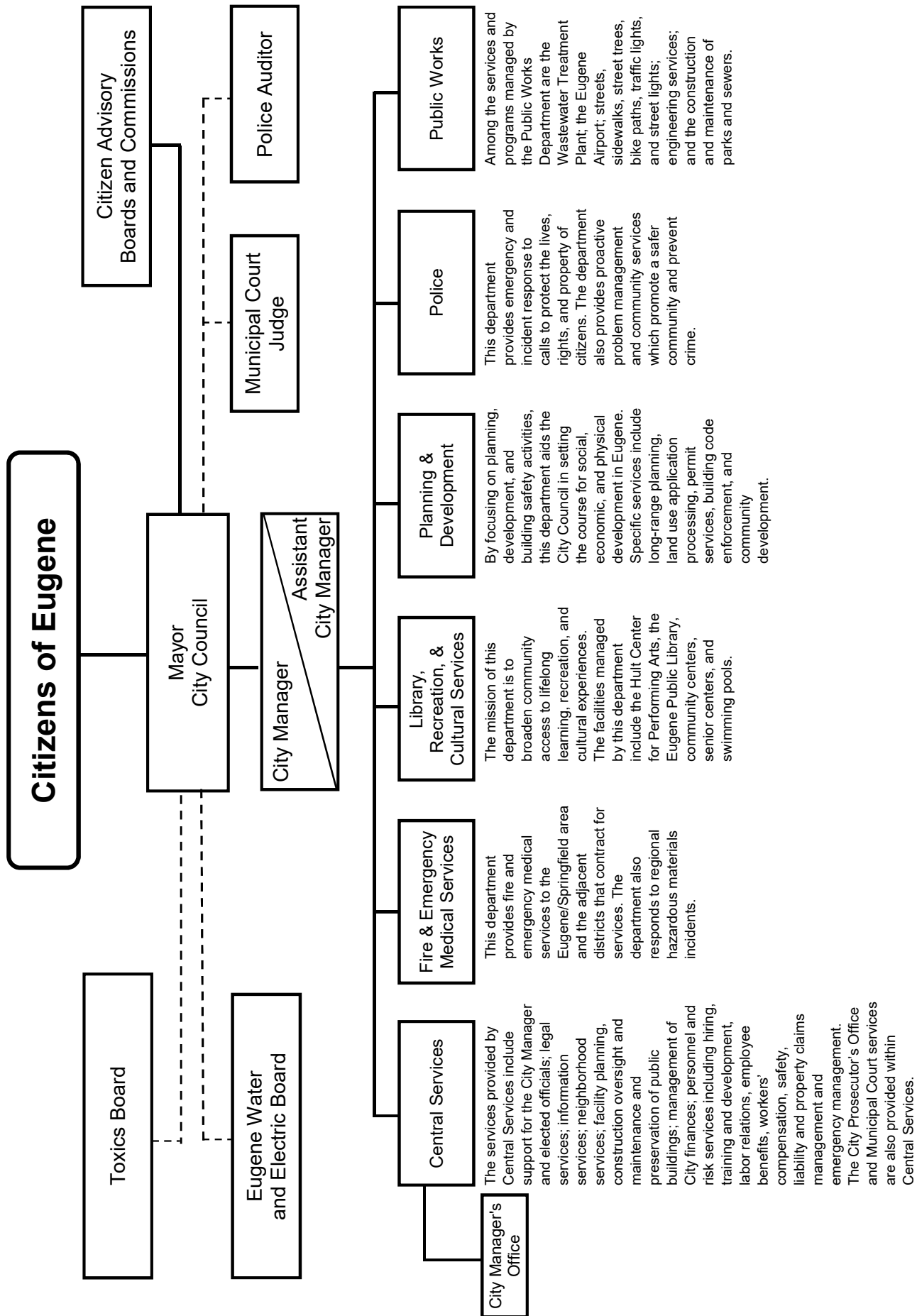
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

City of Eugene Organizational Chart



CITY OF EUGENE, OREGON

Mayor and City Council as of June 30, 2020

	<u>Name</u>	<u>Term Expires</u>
Mayor:	Lucy Vinis	January 2021
Councilors:	Emily Semple (Ward 1)	January 2021
	Betty Taylor (Ward 2)	January 2021
	Alan Zelenka (Ward 3)	January 2023
	Jennifer Yeh (Ward 4)	January 2023
	Mike Clark (Ward 5)	January 2023
	Greg Evans (Ward 6)	January 2023
	Claire Syrett (Ward 7)	January 2021
	Chris Pryor (Ward 8)	January 2021

Principal Officials

Sarah Medary, City Manager

Kristie Hammitt, Assistant City Manager

Kathryn Brotherton, City Attorney

Mia Cariaga, Central Services Executive Director

Chris Heppel, Fire and Emergency Medical Services Chief AIC

Renee Grube, Library, Recreation, and Cultural Services Executive Director

Denny Braud, Planning and Development Executive Director

Chris Skinner, Chief of Police

Mathew Rodrigues, Public Works Executive Director AIC



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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Eugene, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Eugene, Oregon ("the City") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of revenues, expenditures and changes in fund balances – budget and actual of the General Fund and the Community Development Fund (the "budgetary schedules"), the schedule of the City's Proportionate Share of the Net Pension Asset/(Liability), the schedule of the City's Proportionate Share of the Net OPEB RHIA Asset (Liability), the Schedule of Changes in the City's Total OPEB RHLI Asset (Liability) and the budget to GAAP reconciliation, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to management's discussion and analysis, the schedule of the City's Proportionate Share of the Net Pension Asset (Liability), the schedule of the City's Proportionate Share of the Net OPEB RHIA Asset (Liability), and the Schedule of Changes in the City's Total OPEB RHLI Asset (Liability) in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The budgetary schedules described above and the budget to GAAP reconciliation are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The budgetary schedules and budget to GAAP reconciliation have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary schedules and budget to GAAP reconciliation are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section; other supplementary information; other supplementary schedules and statistical tables section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The other supplementary information, other supplementary schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory and statistical tables section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have issued our report dated November 25, 2020 on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

ISLER CPA



By Paul Nielson, CPA, a member
Eugene, Oregon
November 25, 2020

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Management's Discussion and Analysis

The management of the City of Eugene, Oregon (City) presents this narrative overview to facilitate both a short and a long-term analysis of the financial activities of the City for the fiscal year ended June 30, 2020. This Management's Discussion and Analysis (MD&A) is based on currently known facts, decisions, and conditions that existed as of the date of the independent auditor's report. Additional information outside the scope of this analysis can be found in the Letter of Transmittal.

Financial Highlights

- The City's total assets and deferred outflows of resources at June 30, 2020 increased \$49.2 million from \$1.2 billion to \$1.3 billion. The increase was largely due to an increase of \$37.9 million in capital assets, a \$13.1 million increase in due from other governments, offset by a decrease in cash and investments of \$2.6 million.
- The City's total liabilities and deferred inflows of resources at June 30, 2020 increased \$41.3 million from \$381.8 million to \$423.1 million. The change was attributable to increases in noncurrent liabilities of \$33.3 million in net pension liability and an increase of \$2.9 million in bonds payable. In addition, compensated absences payable increased by \$2.1 million.
- The net position of the City (assets and deferred outflows of resources less liabilities and deferred inflows of resources) at June 30, 2020 increased \$7.9 million from \$849.0 million to \$856.9 million. The City's unrestricted portion of net position is a negative \$60.6 million. This is primarily due to the recognition of the City's net pension liability which continues to increase each fiscal year.
- At June 30, 2020, the General Fund's fund balance decreased \$6.8 million from \$65.0 million to \$58.2 million. The unassigned fund balance in the General Fund at June 30, 2020 is \$24.0 million.

Overview of the Financial Statements

The following discussion and analysis is intended to serve as an introduction to the City's basic financial statements and other required supplementary information. The City's basic financial statements comprise three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

Government-wide financial statements. The government-wide financial statements are designed to provide readers a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in a future fiscal period. Examples of such items include earned, but uncollected property taxes, and earned, but unused compensated absences.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all, or a significant portion of, their costs through user fees and charges (business-type activities).

The governmental activities of the City include the following:

- Central services
- Fire and emergency medical services
- Library, recreation, and cultural services
- Planning and development
- Police
- Public works

The business-type activities of the City include the following:

- Ambulance transport
- Municipal airport
- Parking services
- Stormwater utility
- Wastewater utility

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate Urban Renewal Agency (URA) for which the City is financially accountable. Although legally separate, the URA's governing body is identical to the City's, and because the services of the URA are exclusively for the benefit of the City, it is included as an integral part of the primary government.

The government-wide financial statements can be found at Exhibits 1 and 2 in the basic financial statements.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to demonstrate transparency and ensure compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for activities where the emphasis is placed on available financial resources, rather than upon net income determination. Therefore, unlike the government-wide financial statements, governmental fund financial statements focus on the acquisition and use of current spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations can be found at Exhibits 3 and 5 in the basic financial statements.

The City maintains 25 individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for those funds that are considered significant (major) to the City taken as a whole. These financial statements report four major funds: General Fund, Community Development Special Revenue Fund, General Capital Projects Fund, and the Systems Development Capital Projects Fund. Data from the other 21 governmental funds are combined into a single, aggregated presentation. Summary fund data by fund-type for these nonmajor governmental funds is provided as other supplementary information in the form of combining statements at B-1 and B-2 of this report. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements at C-1, C-2, D-1, D-2, E-1, and E-2.

The City adopts an annual appropriated budget for all governmental funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided for the General Fund and the Community Development Fund as required supplementary information at A-1 and A-2. Budgetary comparisons for all other governmental funds have been provided as other supplementary information at C-3 through C-15, D-3 through D-6, and E-3 through E-8.

The governmental fund financial statements can be found at Exhibits 3 and 4 in the basic financial statements.

Proprietary funds. Proprietary funds are used to account for activities where the emphasis is placed on net position. The City maintains two different types of proprietary funds – enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its ambulance transport, municipal airport, parking services, stormwater utility, and wastewater utility operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for engineering services, facilities services, fleet services, information systems and services, and risk and benefits management activities. Because internal service funds predominantly benefit governmental rather than business-type functions, their assets, deferred outflows of resources, liabilities, and deferred inflows of resources have been included with the governmental activities in the government-wide financial statements.

The enterprise funds, all of which are considered to be major funds of the City, are reported separately as proprietary fund financial statements in the basic financial statements. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided as other supplementary information in the form of combining statements at G-1, G-2, and G-3.

The City adopts an annual appropriated budget for all proprietary funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided for the enterprise funds as other supplementary information at F-1 through F-5. Budgetary comparisons for the internal service funds are provided as other supplementary information at G-4 through G-8. The proprietary fund financial statements can be found at Exhibits 6, 7, and 8 in the basic financial statements.

Notes to the basic financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. They are an integral part of the financial statements and should be read in conjunction with them.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons for the General Fund and Community Development Fund, information about the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees, and the budget to GAAP reconciliation schedule.

Other supplementary information. The combining statements and schedules referred to earlier and the schedule of bonded debt transactions follow the required supplementary information in this report.

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial health. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$856.9 million at the close of the fiscal year ending June 30, 2020, an increase of \$7.9 million. The following table summarizes the City's net position.

City of Eugene's Net Position						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Capital assets	\$ 515,312,671	490,802,488	269,991,226	256,571,551	785,303,897	747,374,039
Other assets	368,072,615	358,732,086	49,859,950	47,632,024	417,932,565	406,364,110
Total assets	883,385,286	849,534,574	319,851,176	304,203,575	1,203,236,462	1,153,738,149
Deferred outflows	62,097,946	62,363,391	14,653,401	14,700,107	76,751,347	77,063,498
Total deferred outflows	62,097,946	62,363,391	14,653,401	14,700,107	76,751,347	77,063,498
Noncurrent liabilities	285,752,922	256,208,679	56,098,897	50,834,872	341,851,819	307,043,551
Other liabilities	55,795,274	52,817,508	11,894,221	8,063,957	67,689,495	60,881,465
Total liabilities	341,548,196	309,026,187	67,993,118	58,898,829	409,541,314	367,925,016
Deferred inflows	10,898,244	11,127,569	2,681,290	2,734,252	13,579,534	13,861,821
Total deferred inflows	10,898,244	11,127,569	2,681,290	2,734,252	13,579,534	13,861,821
Net position:						
Net investment in capital assets	448,845,542	422,441,689	269,991,226	256,571,551	718,836,768	679,013,240
Restricted	189,861,376	192,379,081	8,791,225	9,140,965	198,652,601	201,520,046
Unrestricted	(45,670,126)	(23,076,561)	(14,952,282)	(8,441,915)	(60,622,408)	(31,518,476)
Total net position	\$ 593,036,792	591,744,209	263,830,169	257,270,601	856,866,961	849,014,810

The largest portion of the City's net position, \$718.8 million, is its net investment in capital assets. The City's investment in capital assets is reported net of related debt. Capital assets do not represent readily available resources to be used for ongoing operations or to liquidate existing liabilities.

The remaining portion of the City's net position consists of restricted and unrestricted resources. The restricted portion of the City's net position is \$198.7 million which represents resources that are subject to external restrictions as to how they may be used. Restricted net position decreased \$2.8 million in the fiscal year ending June 30, 2020, with a decrease of \$15.0 million in the capital project category, offset by an increase in the debt service category of \$11.2 million and an increase in the community development category of \$1.0 million. The City's unrestricted portion of net position is a negative \$60.6 million.

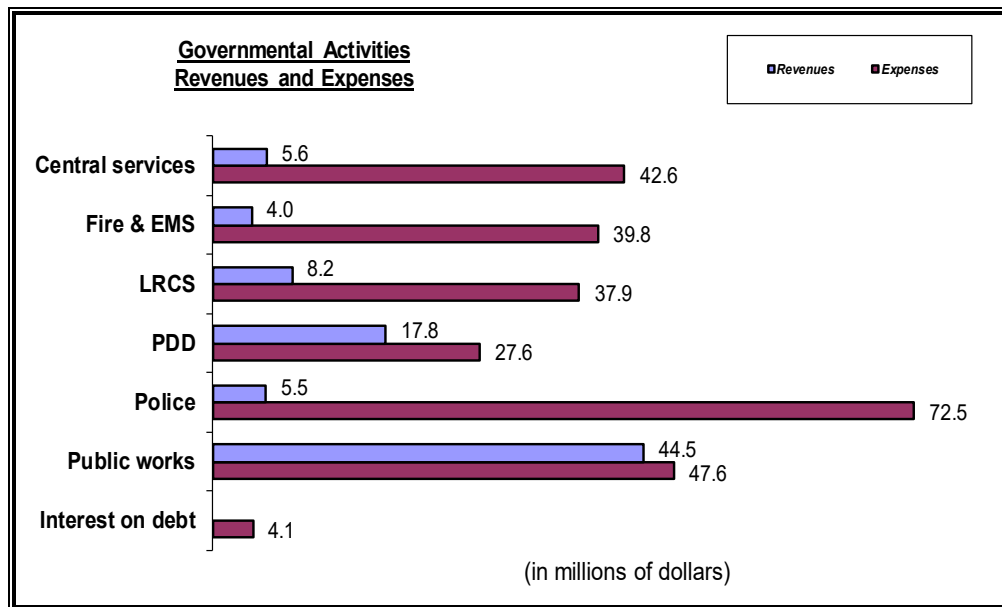
City of Eugene's Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Fees, fines, and charges for services	\$ 40,252,573	52,611,821	73,022,330	76,777,719	113,274,903	129,389,540
Operating grants and contributions	23,763,234	18,838,857	5,929,228	1,638,307	29,692,462	20,477,164
Capital grants and contributions	21,539,134	27,874,233	18,395,014	6,717,167	39,934,148	34,591,400
General revenues:						
Taxes	139,798,241	133,531,122	0	0	139,798,241	133,531,122
Grants and contributions not restricted to specific programs	7,729,292	5,699,558	0	0	7,729,292	5,699,558
Contributions in lieu of taxes	12,502,242	12,824,676	0	0	12,502,242	12,824,676
Franchise fees on telecom providers revenues	10,570,386	11,424,731	0	0	10,570,386	11,424,731
Unrestricted investment earnings	8,391,525	8,622,148	643,240	849,535	9,034,765	9,471,683
Total revenues	264,546,627	271,427,146	97,989,812	85,982,728	362,536,439	357,409,874
Program expenses:						
Central services	42,558,490	33,235,243	0	0	42,558,490	33,235,243
Fire and emergency medical services	39,781,072	35,157,534	0	0	39,781,072	35,157,534
Library, recreation, and cultural services	37,862,426	37,023,171	0	0	37,862,426	37,023,171
Planning and development	27,560,359	19,263,816	0	0	27,560,359	19,263,816
Police	72,503,299	62,652,581	0	0	72,503,299	62,652,581
Public works	47,642,872	39,872,034	0	0	47,642,872	39,872,034
Interest on long-term debt	4,121,680	3,853,302	0	0	4,121,680	3,853,302
Ambulance transport	0	0	11,197,499	11,572,312	11,197,499	11,572,312
Municipal airport	0	0	18,071,080	16,725,563	18,071,080	16,725,563
Parking services	0	0	7,054,606	7,116,757	7,054,606	7,116,757
Stormwater utility	0	0	20,585,447	19,924,874	20,585,447	19,924,874
Wastewater utility	0	0	28,625,945	27,982,420	28,625,945	27,982,420
Total direct expenses	272,030,198	231,057,681	85,534,577	83,321,926	357,564,775	314,379,607
Indirect expense allocation*	(5,023,000)	(4,510,000)	5,023,000	4,510,000	0	0
Total expenses	267,007,198	226,547,681	90,557,577	87,831,926	357,564,775	314,379,607
Change in net position before transfers	(2,460,571)	44,879,465	7,432,235	(1,849,198)	4,971,664	43,030,267
Transfers	872,667	1,551,239	(872,667)	(1,551,239)	0	0
Change in net position after transfers	(1,587,904)	46,430,704	6,559,568	(3,400,437)	4,971,664	43,030,267
Net position July 1, 2019	591,744,209	545,313,505	257,270,601	260,671,038	849,014,810	805,984,543
Prior period adjustment	2,880,487	0	0	0	2,880,487	0
Net position, July 1, 2019, as restated	594,624,696	545,313,505	257,270,601	260,671,038	851,895,297	805,984,543
Net position June 30, 2020	\$ 593,036,792	591,744,209	263,830,169	257,270,601	856,866,961	849,014,810

* The program expenses above do not include the indirect expense allocation that is reported in the Statement of Activities (Exhibit 2).

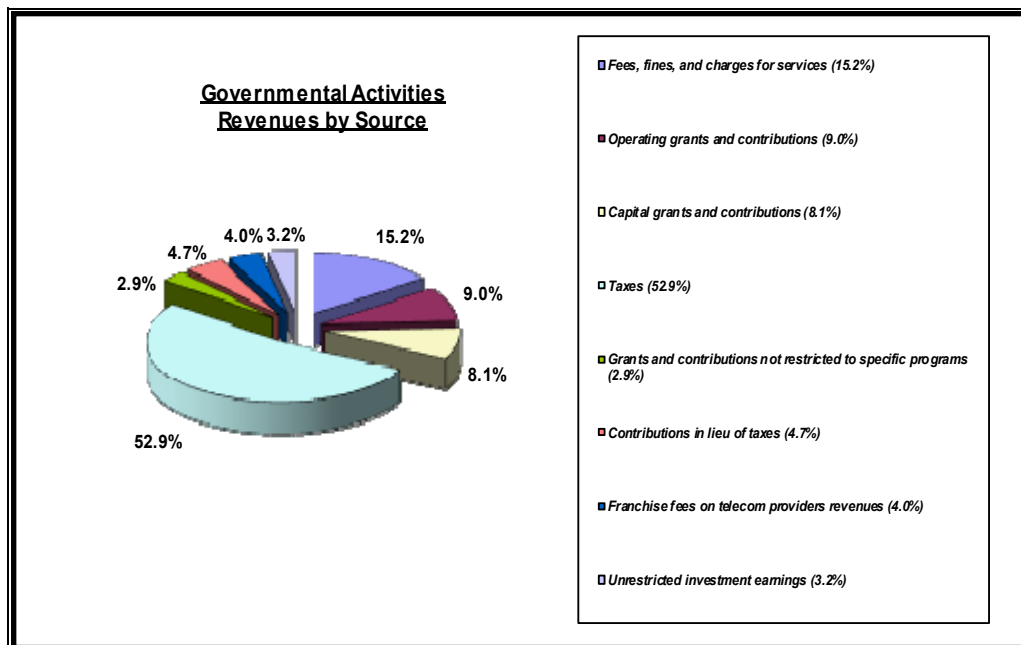
Governmental activities. Governmental activities change in net position before transfers decreased by \$47.4 million. The decrease was driven by:

- Revenues decreased by \$6.9 million from the prior year, primarily due to a \$12.4 million decrease in fees, fines, and charges for services, a decrease of \$6.3 million in capital grants and contributions offset by an increase in operating grants and contributions of \$4.9 million, \$6.3 million in taxes and \$2.0 million in grants and contributions not restricted to specific programs.
- Program expenses increased by \$40.9 million in total across all programs from the prior year. The largest increases were \$9.3 million in Central Services, \$9.9 million in Police, \$8.3 million in Planning and Development, and \$7.8 million in Public Works.

This next chart compares revenues and expenses for the individual governmental activities for the current year.



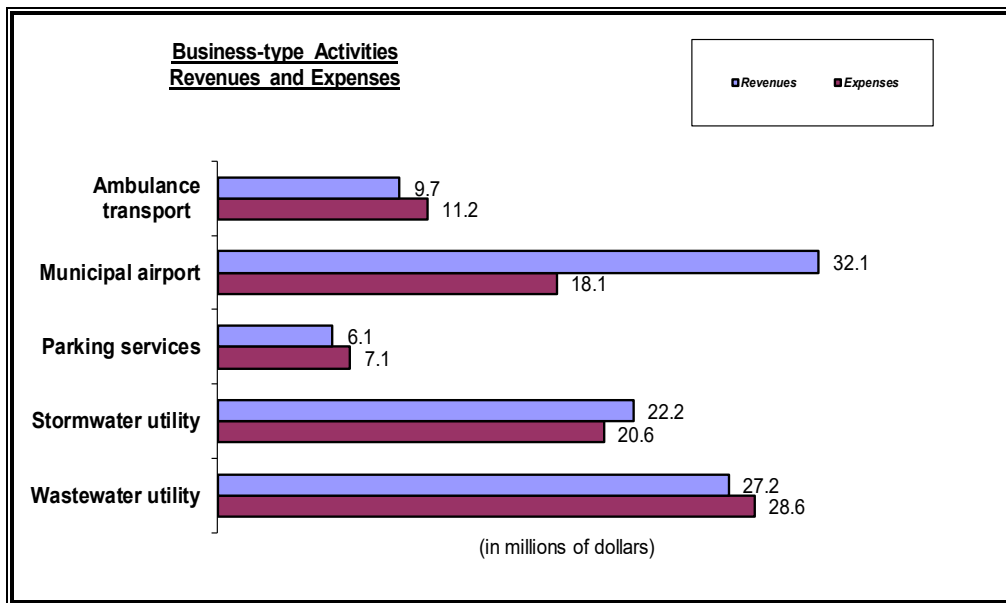
The next chart shows the percent of the total for each source of revenue supporting governmental activities. As the chart reflects, most governmental activities relied on taxes for support.



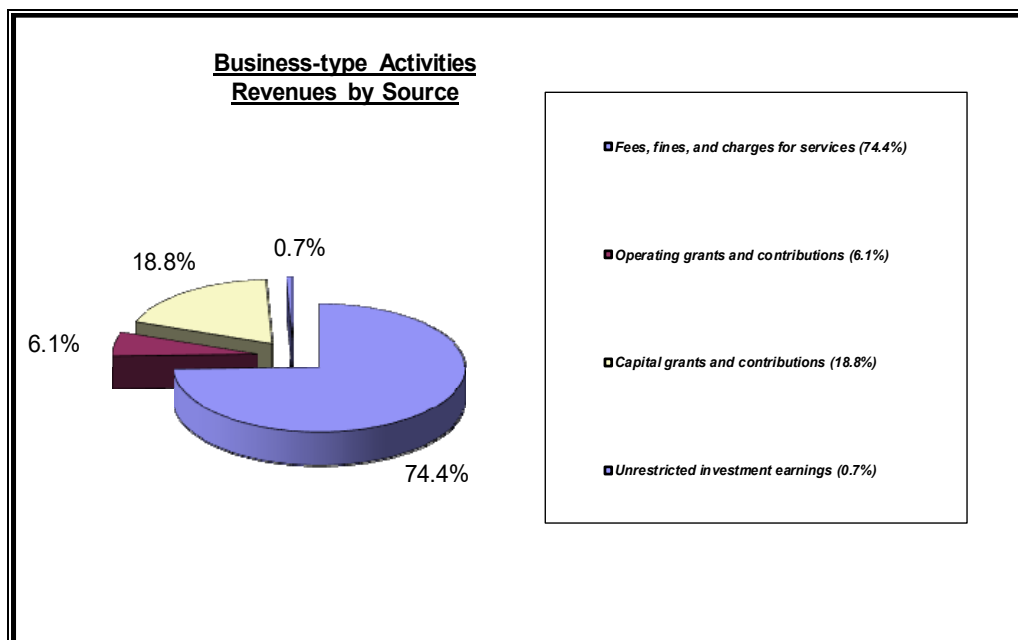
Business-type activities. Business-type activities for the current year increased the City's net position by \$6.6 million. The increase was driven by:

- Revenues increased by \$12.0 million from the prior year, primarily due to a \$11.7 million increase in capital grants and contributions, an increase of \$4.3 million in operating grants and contributions offset by a decrease in fees, fines, and charges for services of \$3.8 million.
- Program expenses increased by \$2.2 million from the prior year. The largest increase was \$1.3 million in the Municipal Airport Fund.

The following chart compares revenues to expenses by individual business-type activity for the fiscal year. In comparison to governmental activities, business-type activities typically recover their costs through program revenues.



The chart below shows that 74.4% of revenues for business-type activities are generated from fees, fines, and charges for services. Capital grants and contributions were derived predominantly from the Federal Aviation Administration grants for the projects of Taxiway Alpha Rehabilitation and Taxiway "Goff" Ramp Construction at the City's airport.



Capital assets. The City's capital assets for its governmental and business-type activities as of June 30, 2020 amounted to \$785.3 million (net of accumulated depreciation). Capital assets include land, rights-of-way, construction in progress, buildings and equipment, improvements other than buildings (such as parks and park improvements), storm sewers and trunk sewers (stormwater and wastewater systems), intangibles, and infrastructure (such as roads and sidewalks).

City of Eugene's Capital Assets, Net of Accumulated Depreciation

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 98,681,041	84,734,183	17,171,732	17,168,640	115,852,773	101,902,823
Construction in progress	33,853,069	39,799,697	7,918,793	5,626,782	41,771,862	45,426,479
Buildings and equipment	127,384,750	131,652,337	58,235,856	57,281,912	185,620,606	188,934,249
Improvements other than buildings	41,510,879	39,549,185	50,587,705	41,408,148	92,098,584	80,957,333
Storm sewers and trunk sewers	0	0	136,077,140	135,086,069	136,077,140	135,086,069
Infrastructure	208,326,295	187,625,768	0	0	208,326,295	187,625,768
Intangible	5,556,637	7,441,318	0	0	5,556,637	7,441,318
	<u>\$ 515,312,671</u>	<u>490,802,488</u>	<u>269,991,226</u>	<u>256,571,551</u>	<u>785,303,897</u>	<u>747,374,039</u>

Capital Assets at June 30, 2020 increased \$37.9 million from \$747.4 million to \$785.3 million. The primary increases were \$13.3 million in donations for rights-of-way, \$5.0 million in street paving projects, \$9.5 million for the Alpha Phase II project at the airport, and \$2.6 million airport parking lot expansions.

Additional information on the City's capital assets can be found in the Notes to Basic Financial Statements (Note 4E).

Bonded Debt. At the end of the fiscal year, the City had total liabilities and deferred inflows of resources of \$423.1 million. Of this amount, \$90.4 million represented outstanding bonded indebtedness. Outstanding bonded debt included \$32.5 million in general obligation bonds to be serviced by general property taxes, \$0.1 million in limited tax improvement bonds to be serviced by payments from property owners benefitting from the improvements, \$45.7 million in limited tax pension bonds to be repaid from existing revenue sources, and \$12.0 million in limited tax Downtown Riverfront bonds to be repaid from tax increment revenue and the other revenues, all backed by the full faith and credit of the City.

City of Eugene's Bonded Debt

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds	\$ 30,935,000	35,990,000	0	0	30,935,000	35,990,000
Limited tax bonds	49,909,861	41,187,655	7,953,716	8,638,019	57,863,577	49,825,674
Bond premium	1,600,708	1,720,357	0	0	1,600,708	1,720,357
	<u>\$ 82,445,569</u>	<u>78,898,012</u>	<u>7,953,716</u>	<u>8,638,019</u>	<u>90,399,285</u>	<u>87,536,031</u>

The City's bonded debt increased \$2.9 million during the year as the result of issuance of new debt less current year debt service payments.

Moody's Investors Service rates the City's publicly offered bond issues. The City's most recent ratings from Moody's are as follows:

- Aa1 for general obligation bonds (Jan 2020).
- The Oregon Local Governments Limited Tax Pension Obligations, Series 2002, are insured by Ambac Assurance and were rated Aaa at issuance. Subsequent to issuance, Ambac Assurance was downgraded by Moody's Investors Service to Caa2. In June 2020, Moody's Investors Service upgraded the underlying rating on Oregon Local Governments Limited Tax Pension Obligations, Series 2002 to Aa2 from Aa3. In April 2011, Ambac Assurance severed their relationship with Moody's requesting that Ambac ratings be withdrawn. Moody's ratings on securities insured by Ambac will be maintained at the published underlying rating, or Aa3. The pension obligations were issued as one offering for certain Oregon cities, counties, and special districts. The City of Eugene's share of the total pension obligations on which the rating was based is 29.7%.

Under Oregon Revised Statutes, general obligation debt issues are limited to 3.0% of the real market value of all taxable property within the City's boundaries. The \$32.5 million in general obligation debt applicable to this limit is well below the \$924.5 million ceiling. The City's net direct general obligation bonded debt per capita is \$181.

Additional information on the City's bonded debt can be found in the Notes to Basic Financial Statements (Note 4H).

Fund-based Financial Analysis

As previously discussed, the City uses fund accounting to demonstrate transparency and ensure compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's requirements for funding day-to-day operations.

As of the end of the fiscal year, the City's governmental funds reported a combined ending fund balance of \$238.6 million, same as the prior year. \$4.1 million of the fund balance is nonspendable because it consists of the prepaid expenditures, inventories and advances to other funds. The remaining \$234.5 million of fund balance was classified as follows.

- \$114.7 million was restricted due to external limits on how the resources may be used.
- \$15.7 million was committed as a result of specific constraints placed on the use of the resources per City ordinance.
- \$80.1 million was assigned per City Council's intent to use these resources for a specific purpose: unappropriated ending fund balance, balancing the next year's budget, and uncompleted capital projects are the primary components.
- \$24.0 million was unassigned and is available to be used at the government's discretion, subject to fund limitations.

The fund balance of the City's General Fund decreased \$6.8 million from \$65.0 million to \$58.2 million during the current fiscal year. The decrease was primarily driven by operating expenditures increasing \$5.2 million over the prior year, an increase in transfers out of \$5.6 million which were offset by an increase in total revenues of \$4.2 million.

The fund balance in the Community Development Fund remained at 3.1 million during the fiscal year.

The fund balance in the General Capital Projects Fund decreased \$5.1 million from \$55.3 million to \$50.2 million during the fiscal year. The decrease was primarily due to a \$4.5 million increase in Campbell Center and Echo Hollow pool renovation projects.

The fund balance in the Systems Development Capital Projects Fund increased \$1.4 million from \$36.3 million to \$37.7 million during the fiscal year. The increase was primarily due to the accumulation of resources for future park developments and transportation projects.

Proprietary funds. The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of each proprietary fund are as follows:

<u>Fund Name</u>	<u>Unrestricted Net Position</u>
Ambulance Transport	\$ (9.9) million
Municipal Airport	0.4 million
Parking Services	(3.8) million
Stormwater Utility	4.1 million
Wastewater Utility	(10.8) million

Total business-type net position (excluding the consolidation of internal service fund activities) increased \$6.9 million in the fiscal year with the significant changes highlighted by fund below.

- The Ambulance Transport Fund experienced a \$2.6 million decrease in net position. The primary decreases during FY20 were a decrease of \$1.2 million transfer in from the General Fund and a 1.0 million of decrease in intergovernmental revenue.
- The Municipal Airport Fund's net position had an increase of \$13.5 million. The significant change was the fund's capital contributions increase of \$11.2 million from FY19 to FY20.
- The Parking Services Fund's net position decreased \$2.1 million. Due to Covid-19, the operating revenues decreased \$1.3 million, a fall of 17% from FY19 to FY20. In addition, the expenses outpaced revenues in the current year.

- The Stormwater Utility Fund's net position increased \$1.1 million. The primary reason for the increase was \$1.7 million in capital contributions, \$0.4 million in intergovernmental revenue offset by the fund's operating loss of 1.3 million in FY20.
- The Wastewater Utility Fund's net position decreased \$2.9 million. The primary reason for the decrease was the fund had an operating loss of \$4.4 million offset by \$1.4 million in capital contribution revenue.

Other factors concerning the finances of proprietary funds can be found in the previous discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City's final General Fund budget differs from the original budget in that it contains carry-forward appropriations for various programs and projects, and supplemental appropriations approved during FY20. As a result, the final fiscal year 2020 budget for the General Fund increased by \$22.9 million. The primary reasons for this increase were as follows:

- \$14.4 million for one-time funding requests.
- \$1.7 million in contractual obligations to vendors.
- \$3.7 million in program reappropriations.

These changes were partially funded by increases of \$1.8 million in charges for services, \$2.3 million in intergovernmental revenues (grant funding), and \$0.2 million in miscellaneous. The remaining funding of \$15.5 million is from a combination of reserves and unspent resources from the prior year.

Actual revenues were \$3.7 million less than final amended budget, primarily due to increased intergovernmental revenue of \$2.8 million offset by decreased charges for services of \$4.4 million and decreased miscellaneous revenues of \$0.8 million.

Actual expenditures were \$14.2 million less than the final amended budget, primarily due to under expenditures for: Central Services of \$3.9 million, Library, Recreation, and Cultural Services of \$3.2 million, Planning and Development of \$1.9 million, and interfund loans of \$3.5 million.

The difference between the budget and actual FY20 results is recorded as an adjustment to budgeted FY21 Beginning Working Capital (BWC). The FY21 BWC adjustment is an increase of \$8.7 million. This means that the aggregated beginning resources for FY21 were under-estimated by that amount when the budget was prepared in early 2020.

Economic Factors and Next Year's Budgets and Rates

During the preparation of the budget for the ensuing fiscal year, the long-term impacts of the local economy were examined in conjunction with business decisions made by the City. The following were the major assumptions used in developing the FY21 budget:

- Property tax revenues were expected to increase 4.0%.
- Salaries for non-represented employees and employees covered under collective bargaining agreements were expected to increase 2.0% - 2.8%.
- Health benefit rates were increased by 5.0%.
- Retirement costs were expected to range from 21.73% to 36.57% of payroll, depending on which pension plan the employee participates in.
- Interest rates on investments were projected to be 0.9%.

Requests for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Fionan Cronin, CPA
Assistant Finance Director
City of Eugene
100 West 10th Avenue, Suite 400
Eugene, Oregon 97401

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Statement of Net Position

June 30, 2020

(amounts in dollars)

	Governmental Activities	Business-type Activities	Total
Assets			
<u>Current assets</u>			
Equity in pooled cash and investments	318,335,233	27,252,437	345,587,670
Receivables (net of allowance)	30,654,091	7,554,632	38,208,723
Internal balances	(1,158,723)	1,158,723	0
Due from other governments	11,491,181	13,779,896	25,271,077
Inventories	1,077,914	103,258	1,181,172
Prepays and deposits	1,172,313	0	1,172,313
Assets held for resale	3,060,606	0	3,060,606
Total current assets	364,632,615	49,848,946	414,481,561
<u>Noncurrent assets</u>			
Loans and notes receivable	0	11,004	11,004
Advances to other funds	3,440,000	0	3,440,000
Capital assets:			
Land and construction in progress	132,534,110	25,090,525	157,624,635
Other capital assets (net of accumulated depreciation)	382,778,561	244,900,701	627,679,262
Total noncurrent assets	518,752,671	270,002,230	788,754,901
<u>Deferred outflows of resources</u>			
Related to pensions	60,109,106	14,081,116	74,190,222
Related to OPEB	1,988,840	572,285	2,561,125
Total deferred outflows of resources	62,097,946	14,653,401	76,751,347
Total assets and deferred outflows of resources	945,483,232	334,504,577	1,279,987,809
Liabilities			
<u>Current liabilities</u>			
Accounts payable	4,274,017	4,696,764	8,970,781
Wages payable	9,292,205	2,225,111	11,517,316
Compensated absences payable	11,878,168	2,701,220	14,579,388
Due to other governments	2,271,246	652,611	2,923,857
Notes and contracts payable	204,000	0	204,000
Claims payable	14,574,922	0	14,574,922
Deposits	2,383,378	760,942	3,144,320
Interest payable	369,808	48,234	418,042
Unearned revenue	2,857,685	17,184	2,874,869
Bonds payable	7,689,845	792,155	8,482,000
Total current liabilities	55,795,274	11,894,221	67,689,495
<u>Noncurrent liabilities</u>			
Compensated absences payable	1,195,802	223,181	1,418,983
Notes and contracts payable	4,872,000	0	4,872,000
Advances from other funds	2,840,000	600,000	3,440,000
Bonds payable (net of unamortized discount/premium)	74,755,724	7,161,561	81,917,285
Net pension liability	188,275,669	44,827,804	233,103,473
Net OPEB liability	13,813,727	3,286,351	17,100,078
Total noncurrent liabilities	285,752,922	56,098,897	341,851,819
<u>Deferred inflows of resources</u>			
Related to pensions	10,480,093	2,575,688	13,055,781
Related to OPEB	418,151	105,602	523,753
Total deferred inflows of resources	10,898,244	2,681,290	13,579,534
Total liabilities and deferred inflows of resources	352,446,440	70,674,408	423,120,848
<u>Net position</u>			
Net investment in capital assets	448,845,542	269,991,226	718,836,768
Restricted for:			
Capital projects	122,055,131	8,791,225	130,846,356
Debt service	12,356,203	0	12,356,203
Community development	14,574,669	0	14,574,669
Urban renewal	22,763,610	0	22,763,610
Other purposes	18,111,763	0	18,111,763
Unrestricted	(45,670,126)	(14,952,282)	(60,622,408)
Total net position	593,036,792	263,830,169	856,866,961

The accompanying notes are an integral part of the financial statements.

Statement of Activities

For the fiscal year ended June 30, 2020

(amounts in dollars)

	Program Revenues					Net (Expense) Revenue and Changes in Net Position		
	Direct Expenses	Indirect Expenses Allocation	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs								
Governmental activities:								
Central services	42,558,490	(32,195,187)	4,938,818	531,305	103,496	(4,789,684)	0	(4,789,684)
Fire and emergency medical services	39,781,072	6,241,852	3,240,995	767,176	0	(42,014,753)	0	(42,014,753)
Library, recreation, and cultural services	37,862,426	4,680,106	7,087,804	1,083,022	0	(34,371,706)	0	(34,371,706)
Planning and development	27,560,359	2,865,692	11,561,918	5,608,568	657,707	(12,597,858)	0	(12,597,858)
Police	72,503,299	11,122,835	3,222,524	2,260,855	0	(78,142,755)	0	(78,142,755)
Public works	47,642,872	2,261,702	10,200,514	13,512,308	20,777,931	(5,413,821)	0	(5,413,821)
Interest on long term debt	4,121,680	0	0	0	0	(4,121,680)	0	(4,121,680)
Total governmental activities	272,030,198	(5,023,000)	40,252,573	23,763,234	21,539,134	(181,452,257)	0	(181,452,257)
Business-type activities:								
Ambulance transport	11,197,499	910,000	9,393,903	317,334	0	0	(2,396,262)	(2,396,262)
Municipal airport	18,071,080	744,000	11,577,215	5,003,832	15,479,373	0	13,245,340	13,245,340
Parking services	7,054,606	347,000	6,050,845	91,558	0	0	(1,259,203)	(1,259,203)
Stormwater utility	20,585,447	1,202,000	20,232,098	396,889	1,553,536	0	395,076	395,076
Wastewater utility	28,625,945	1,820,000	25,768,269	119,615	1,362,105	0	(3,195,956)	(3,195,956)
Total business-type activities	85,534,577	5,023,000	73,022,330	5,929,228	18,395,014	0	6,788,995	6,788,995
Total activities	357,564,775	0	113,274,903	29,692,462	39,934,148	(181,452,257)	6,788,995	(174,663,262)
General revenues:								
Property taxes						133,203,518	0	133,203,518
Transient room tax						2,389,179	0	2,389,179
Local motor vehicle fuel tax						2,879,182	0	2,879,182
Local marijuana tax						1,326,362	0	1,326,362
Contributions in lieu of taxes						12,502,242	0	12,502,242
Franchise fees on telecom provider's revenues						10,570,386	0	10,570,386
Grants and contributions not restricted to specific programs						7,729,292	0	7,729,292
Unrestricted investment earnings						8,391,525	643,240	9,034,765
Transfers						872,667	(872,667)	0
Total general revenues and transfers						179,864,353	(229,427)	179,634,926
Change in net position						(1,587,904)	6,559,568	4,971,664
Net position, July 1, 2019						591,744,209	257,270,601	849,014,810
Prior period adjustment (Note 5J)						2,880,487	0	2,880,487
Net position, July 1, 2019, as restated						594,624,696	257,270,601	851,895,297
Net position, June 30, 2020						593,036,792	263,830,169	856,866,961

The accompanying notes are an integral part of the financial statements.

Balance Sheet

Governmental Funds

June 30, 2020

(amounts in dollars)

			General	Systems		Total
		Community	Capital	Development	Other	
	General	Development	Projects	Capital	Governmental	Governmental
				Projects	Funds	Funds
Assets						
Equity in pooled cash and investments	59,597,861	2,820,219	51,503,859	37,596,444	84,402,338	235,920,721
Receivables:						
Interest	751,880	35,057	0	0	157,390	944,327
Taxes	4,046,555	0	0	0	858,748	4,905,303
Accounts	3,412,593	49,255	0	2,071,760	854,741	6,388,349
Assessments	0	0	0	0	183,661	183,661
Loans and notes	0	17,571,035	0	0	2,460,059	20,031,094
Allowance for uncollectibles	(79,314)	(17,881)	0	0	(152,990)	(250,185)
Due from other funds	3,608,078	0	0	0	0	3,608,078
Due from other governments	3,975,485	348,546	132,689	0	6,527,995	10,984,715
Inventories	0	0	0	0	1,077,914	1,077,914
Prepays and deposits	942,750	0	0	0	15,000	957,750
Assets held for resale	0	0	0	0	3,060,605	3,060,605
Advances to other funds	0	0	0	0	2,000,000	2,000,000
Total assets	76,255,888	20,806,231	51,636,548	39,668,204	101,445,461	289,812,332
Liabilities						
Accounts payable	622,263	479	1,392,265	371,873	1,535,678	3,922,558
Wages payable	6,828,499	36,518	0	15,497	1,272,075	8,152,589
Due to other governments	812,939	87,135	0	3,281	1,210,027	2,113,382
Deposits	1,051,754	0	0	0	1,175,033	2,226,787
Interfund loans payable	0	0	0	0	120,000	120,000
Unearned revenue	2,579,831	7,832	0	0	270,010	2,857,673
Advances from other funds	0	0	0	0	2,840,000	2,840,000
Total liabilities	11,895,286	131,964	1,392,265	390,651	8,422,823	22,232,989
Deferred inflows of resources						
Unavailable revenue	6,206,528	17,571,035	0	1,579,459	3,653,918	29,010,940
Total deferred inflows of resources	6,206,528	17,571,035	0	1,579,459	3,653,918	29,010,940
Fund balances						
Nonspendable	942,750	0	0	0	3,172,914	4,115,664
Restricted	740,503	3,103,232	2,646,949	37,698,094	70,534,252	114,723,030
Committed	0	0	0	0	15,661,554	15,661,554
Assigned	32,472,566	0	47,597,334	0	0	80,069,900
Unassigned	23,998,255	0	0	0	0	23,998,255
Total fund balances	58,154,074	3,103,232	50,244,283	37,698,094	89,368,720	238,568,403
Total liabilities, deferred inflows of resources, and fund balances	76,255,888	20,806,231	51,636,548	39,668,204	101,445,461	
Reconciliation to the Statement of Net Position:						
The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds.						27,299,338
Capital assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value.						484,785,211
All liabilities are reported in the Statement of Net Position. However, if they are not due and payable in the current period, they are not recorded in governmental funds.						(91,048,507)
Net pension and OPEB liabilities as well as deferred inflows and outflows of resources related to pensions and OPEB are reported in the Statement of Net Position. These items represent a consumption of net position that applies to future periods.						(130,566,330)
Internal service funds are proprietary funds and not reported with governmental funds. However, because internal service funds primarily benefit governmental activities, their assets, liabilities, and net position are reported along with governmental activities in the Statement of Net position.						63,998,677
Net position of governmental activities						593,036,792

The accompanying notes are an integral part of the financial statements.

Statement of Revenues, Expenditures, and Changes in Fund Balances*Governmental Funds*

For the fiscal year ended June 30, 2020

(amounts in dollars)

			General	Systems Development	Other	Total
	General	Community Development	Capital Projects	Capital Projects	Governmental Funds	Governmental Funds
Revenues						
Taxes	124,523,926	0	0	0	27,156,449	151,680,375
Licenses and permits	8,666,796	0	0	0	9,900,892	18,567,688
Intergovernmental	11,232,509	3,744,293	103,496	0	20,692,566	35,772,864
Rental income	450,201	0	0	57,511	309,218	816,930
Charges for services	12,482,476	55,387	0	5,681,710	4,626,146	22,845,719
Fines and forfeits	1,468,518	0	0	0	39,103	1,507,621
Special assessments	0	0	0	0	46,880	46,880
Repayment of revolving loans	0	787,103	0	0	162,141	949,244
Miscellaneous	2,718,518	599,204	1,295,904	933,710	2,734,976	8,282,312
Total revenues	161,542,944	5,185,987	1,399,400	6,672,931	65,668,371	240,469,633
Expenditures						
Current - departmental:						
Central services	17,729,683	176,000	0	57,000	7,802,089	25,764,772
Fire and emergency medical services	33,376,246	0	0	0	356,028	33,732,274
Library, recreation, and cultural services	32,228,448	0	2,793	0	2,614,798	34,846,039
Planning and development	7,779,934	4,163,216	0	148,322	11,743,512	23,834,984
Police	58,301,531	0	0	0	5,180,527	63,482,058
Public works	7,079,595	0	0	376,633	15,696,292	23,152,520
Debt service:						
Principal	0	204,000	0	0	12,606,697	12,810,697
Interest	0	166,120	0	0	1,245,771	1,411,891
Capital outlay	0	501,332	11,106,768	4,720,075	23,250,273	39,578,448
Special payments	12,978	0	0	0	657,707	670,685
Total expenditures	156,508,415	5,210,668	11,109,561	5,302,030	81,153,694	259,284,368
Excess (deficiency) of revenues over expenditures	5,034,529	(24,681)	(9,710,161)	1,370,901	(15,485,323)	(18,814,735)
Other financing sources (uses)						
Issuance of debt	0	0	0	0	19,526,000	19,526,000
Transfers in	1,350,096	0	4,619,300	0	16,876,471	22,845,867
Transfers out	(13,259,657)	0	0	0	(10,377,021)	(23,636,678)
Total other financing sources (uses)	(11,909,561)	0	4,619,300	0	26,025,450	18,735,189
Net change in fund balances	(6,875,032)	(24,681)	(5,090,861)	1,370,901	10,540,127	(79,546)
Fund balances, July 1, 2019	65,029,106	3,127,913	55,335,144	36,327,193	78,828,593	238,647,949
Fund balances, June 30, 2020	58,154,074	3,103,232	50,244,283	37,698,094	89,368,720	238,568,403

The accompanying notes are an integral part of the financial statements.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the fiscal year ended June 30, 2020

(amounts in dollars)

Net change in fund balances - total governmental funds	(79,546)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.	1,675,399
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Donations of capital assets are reported as capital contributions in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources. In addition, the Statement of Activities reports gains and losses arising from the disposal of existing capital assets, while governmental funds do not.	16,277,599
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Governmental funds do not report expenditures for unpaid compensated absences, net pension and OPEB liabilities, interest expense, or arbitrage since they do not require the use of current financial resources. However, the Statement of Activities reports such expenses when incurred, regardless of when settlement ultimately occurs.	(22,917,470)
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Capital outlay is reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital outlays over their estimated useful lives as depreciation expense.	10,128,655
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Proceeds from the issuance of long-term debt provide current financial resources to governmental funds and are reported as other financing sources. In the same way, repayments of long-term debt use current financial resources and are reported as expenditures in governmental funds. However, neither the receipt of debt proceeds nor the payment of debt principal affect the Statement of Activities, but are reported as increases and decreases in noncurrent liabilities in the Statement of Net Position.	(6,715,303)
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Transfers of capital assets are often made between proprietary funds and governmental funds when the use of an asset changes. Transfers of liabilities are sometimes made between proprietary funds and governmental funds when the fund responsible for repayment changes. Such transfers will provide or use economic resources in proprietary funds, but may not necessarily provide or use spendable financial resources in governmental funds.	(590,352)
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Internal service funds are used by management to charge the costs of certain activities, such as insurance, facilities, and fleet services to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.	633,114
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Change in net position of governmental activities	(1,587,904)
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The accompanying notes are an integral part of the financial statements.

Statement of Fund Net Position

Proprietary Funds

June 30, 2020

(amounts in dollars)

	Business-type Activities					Governmental Activities	
	Enterprise Funds					Activities	
	Ambulance Transport	Municipal Airport	Parking Services	Stormwater Utility	Wastewater Utility	Totals	Total Internal Service Funds
Assets							
<u>Current assets</u>							
Equity in pooled cash and investments	0	10,021,480	0	12,770,219	4,460,738	27,252,437	82,414,512
Receivables:							
Accounts	2,764,210	1,002,505	154,206	2,722,183	1,673,845	8,316,949	172,625
Allowance for uncollectibles	(359,157)	(318,882)	(68,647)	(10,000)	(5,631)	(762,317)	(9,480)
Due from other governments	415,770	10,867,403	127,320	323,306	2,046,097	13,779,896	506,466
Interfund loans receivable	0	0	0	0	0	0	270,000
Inventories	0	0	44,913	58,345	0	103,258	0
Prepays and deposits	0	0	0	0	0	0	214,563
Total current assets	2,820,823	21,572,506	257,792	15,864,053	8,175,049	48,690,223	83,568,686
<u>Noncurrent assets</u>							
Loans and notes receivable	0	0	0	0	11,004	11,004	0
Advances to other funds	0	0	0	0	0	0	1,440,000
Capital assets:							
Land	0	6,506,052	2,096,235	7,146,208	1,423,237	17,171,732	455,834
Improvements other than buildings	379,107	126,118,095	1,005,967	5,425,768	2,739,731	135,668,668	51,913
Trunk sewers	0	354,650	0	2,000,412	173,567,579	175,922,641	0
Storm sewers	0	738,060	0	84,195,853	2,421,480	87,355,393	0
Buildings and equipment	2,333,278	66,041,682	32,116,655	1,524,756	1,734,227	103,750,598	67,783,535
Intangibles	0	0	0	0	0	0	9,302,708
Construction in progress	0	5,161,520	0	1,178,907	1,578,366	7,918,793	0
Accumulated depreciation	(1,477,342)	(103,807,595)	(20,150,813)	(31,967,089)	(100,393,760)	(257,796,599)	(47,066,530)
Total noncurrent assets	1,235,043	101,112,464	15,068,044	69,504,815	83,081,864	270,002,230	31,967,460
<u>Deferred outflows of resources</u>							
Related to pensions	3,404,103	2,331,535	519,029	3,066,386	4,760,063	14,081,116	6,043,861
Related to OPEB	95,004	83,989	32,458	146,310	214,524	572,285	287,930
Total deferred outflows of resources	3,499,107	2,415,524	551,487	3,212,696	4,974,587	14,653,401	6,331,791
Total assets and deferred outflows of resources	7,554,973	125,100,494	15,877,323	88,581,564	96,231,500	333,345,854	121,867,937

continued

Business-type Activities							Governmental Activities
Enterprise Funds							
	Ambulance <u>Transport</u>	Municipal <u>Airport</u>	Parking <u>Services</u>	Stormwater <u>Utility</u>	Wastewater <u>Utility</u>	<u>Totals</u>	Total Internal Service <u>Funds</u>
<u>Liabilities</u>							
<u>Current liabilities</u>							
Accounts payable	11,984	3,989,141	37,344	366,927	291,368	4,696,764	351,458
Wages payable	487,865	380,626	89,026	527,720	739,874	2,225,111	1,139,618
Compensated absences payable	501,047	589,359	84,379	605,293	921,142	2,701,220	1,053,038
Due to other governments	0	77	215	11,987	640,332	652,611	157,864
Claims payable	0	0	0	0	0	0	14,574,922
Deposits	0	25,269	15,707	522	719,444	760,942	156,590
Interfund loans payable	0	0	150,000	0	0	150,000	0
Due to other funds	2,437,601	0	1,170,477	0	0	3,608,078	0
Interest payable	9,023	8,134	2,041	11,529	17,507	48,234	48,080
Unearned revenue	0	15,591	1,593	0	0	17,184	12
Bonds payable	147,771	133,397	33,503	189,837	287,647	792,155	856,944
Total current liabilities	3,595,291	5,141,594	1,584,285	1,713,815	3,617,314	15,652,299	18,338,526
<u>Noncurrent liabilities</u>							
Compensated absences payable	44,257	13,210	4,865	86,515	74,334	223,181	211,483
Advances from other funds	0	0	600,000	0	0	600,000	0
Bonds payable (net of unamortized discount/premium)	1,335,936	1,205,992	302,888	1,716,239	2,600,506	7,161,561	7,747,297
Net pension liability	10,076,007	7,485,608	1,766,305	10,008,273	15,491,611	44,827,804	19,668,760
Net OPEB liability	528,079	478,773	193,682	854,554	1,231,263	3,286,351	5,829,351
Total noncurrent liabilities	11,984,279	9,183,583	2,867,740	12,665,581	19,397,714	56,098,897	33,456,891
<u>Deferred inflows of resources</u>							
Related to pensions	620,241	440,510	107,824	546,993	860,120	2,575,688	1,108,099
Related to OPEB	21,117	17,541	5,019	24,602	37,323	105,602	48,943
Total deferred inflows of resources	641,358	458,051	112,843	571,595	897,443	2,681,290	1,157,042
Total liabilities and deferred inflows of resources	16,220,928	14,783,228	4,564,868	14,950,991	23,912,471	74,432,486	52,952,459
<u>Net position</u>							
Net investment in capital assets	1,235,043	101,112,464	15,068,044	69,504,815	83,070,860	269,991,226	30,527,460
Restricted for capital projects	0	8,791,225	0	0	0	8,791,225	0
Unrestricted	(9,900,998)	413,577	(3,755,589)	4,125,758	(10,751,831)	(19,869,083)	38,388,018
Total net position	(8,665,955)	110,317,266	11,312,455	73,630,573	72,319,029	258,913,368	68,915,478
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.							4,916,801
Net position of business-type activities							263,830,169

The accompanying notes are an integral part of the financial statements.

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Statement of Revenues, Expenses, and Changes in Fund Net Position*Proprietary Funds*

For the fiscal year ended June 30, 2020

(amounts in dollars)

	Business-type Activities Enterprise Funds						Governmental Activities
	Ambulance Transport	Municipal Airport	Parking Services	Stormwater Utility	Wastewater Utility	Totals	Total Internal Service Funds
<u>Operating revenues</u>							
Licenses and permits	0	27,379	0	206,642	32,229	266,250	0
Rental income	0	1,155,710	555,703	22,732	5,621	1,739,766	640,693
Charges for services	8,912,989	10,208,298	4,839,115	19,952,724	25,644,643	69,557,769	77,459,438
Fines and forfeits	0	6,749	618,271	0	2,400	627,420	0
Miscellaneous	480,914	179,079	37,756	50,000	83,376	831,125	376,552
Total operating revenues	9,393,903	11,577,215	6,050,845	20,232,098	25,768,269	73,022,330	78,476,683
<u>Operating expenses</u>							
Personnel services	6,726,529	6,227,450	1,781,363	8,824,177	12,444,460	36,003,979	21,114,896
Contractual services	149,324	1,285,204	1,625,325	1,910,097	1,509,897	6,479,847	5,539,195
Materials and supplies	811,362	787,739	501,395	875,283	2,461,747	5,437,526	5,524,985
Maintenance	729,367	995,038	1,481,004	2,284,816	2,044,052	7,534,277	2,745,786
Utilities	17,135	487,284	101,789	1,247,431	1,668,085	3,521,724	2,456,024
Rent	0	12,486	109,203	73,220	43,398	238,307	453,076
Taxes	0	0	43,904	0	0	43,904	747
Insurance	29,494	198,738	185,488	72,595	141,633	627,948	3,301,612
Claims	0	0	0	0	0	0	28,187,588
Central business functions	910,000	744,000	347,000	1,202,000	1,820,000	5,023,000	2,427,000
Depreciation	269,523	5,959,643	676,368	2,407,881	4,248,282	13,561,697	5,710,982
Pension expense	2,329,013	1,997,154	487,966	2,585,998	3,753,062	11,153,193	5,041,300
Total operating expenses	11,971,747	18,694,736	7,340,805	21,483,498	30,134,616	89,625,402	82,503,191
Operating income (loss)	(2,577,844)	(7,117,521)	(1,289,960)	(1,251,400)	(4,366,347)	(16,603,072)	(4,026,508)
<u>Nonoperating revenues (expenses)</u>							
Interest revenue	0	232,409	0	300,817	110,014	643,240	1,903,828
Interest expense	(109,812)	(98,799)	(24,748)	(143,137)	(197,041)	(573,537)	(928,625)
Gain (loss) on sale of assets	0	0	0	0	0	0	46,615
Intergovernmental	317,334	5,003,832	91,558	396,889	119,615	5,929,228	1,025,336
Total nonoperating revenues (expenses)	207,522	5,137,442	66,810	554,569	32,588	5,998,931	2,047,154
Income (loss) before capital contributions and transfers	(2,370,322)	(1,980,079)	(1,223,150)	(696,831)	(4,333,759)	(10,604,141)	(1,979,354)
Capital contributions	0	15,479,373	0	1,747,939	1,392,797	18,620,109	377,718
Transfers in	200,000	0	0	0	0	200,000	1,888,573
Transfers out	(411,746)	(47,666)	(838,350)	0	0	(1,297,762)	(12,461)
Change in net position	(2,582,068)	13,451,628	(2,061,500)	1,051,108	(2,940,962)	6,918,206	274,476
Total net position, July 1, 2019	(6,083,887)	96,865,638	13,373,955	72,579,465	75,259,991		65,760,515
Prior period adjustment (Note 5J)	0	0	0	0	0		2,880,487
Total net position, July 1, 2019, as restated	(6,083,887)	96,865,638	13,373,955	72,579,465	75,259,991		68,641,002
Total net position, June 30, 2020	(8,665,955)	110,317,266	11,312,455	73,630,573	72,319,029		68,915,478

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

(358,638)

Change in net position of business-type activities

6,559,568

Statement of Cash Flows*Proprietary Funds*

For the fiscal year ended June 30, 2020

(amounts in dollars)

Business-type Activities
Enterprise FundsGovernmental
Activities

	Ambulance Transport	Municipal Airport	Parking Services	Stormwater Utility	Wastewater Utility	Totals	Total Internal Service Funds
<u>Cash flows from operating activities</u>							
Cash received from customers	9,420,870	2,880,242	6,276,338	19,947,564	36,922,586	75,447,600	11,662,934
Cash received from interfund services provided	0	0	0	0	0	0	67,020,734
Cash received from MWMC for operating reimbursements	0	0	0	0	14,731,404	14,731,404	0
Cash paid to MWMC for sewer user and septic hauler fees collected	0	0	0	0	(25,506,204)	(25,506,204)	0
Cash paid to suppliers for goods and services	(123,583)	922,979	(1,645,809)	(3,635,667)	(5,979,722)	(10,461,802)	(46,052,540)
Cash paid to employees for services	(6,287,912)	(5,820,809)	(1,570,672)	(7,894,638)	(11,363,847)	(32,937,878)	(16,471,031)
Cash paid for interfund services used	(1,966,752)	(2,039,232)	(2,094,973)	(4,827,318)	(4,889,506)	(15,817,781)	(5,845,864)
Cash paid for central business functions	(910,000)	(744,000)	(347,000)	(1,202,000)	(1,820,000)	(5,023,000)	(2,427,000)
Net cash provided by (used for) operating activities	132,623	(4,800,820)	617,884	2,387,941	2,094,711	432,339	7,887,233
<u>Cash flows from noncapital financing activities</u>							
Transfers in	200,000	0	0	0	0	200,000	1,840,907
Transfers out	(411,746)	0	(838,350)	0	0	(1,250,096)	0
Principal payments on pension bonds	(130,638)	(117,966)	(29,635)	(167,611)	(235,610)	(681,460)	(890,897)
Interest payments on pension bonds	(107,573)	(97,139)	(24,403)	(138,019)	(209,246)	(576,380)	(446,579)
Subsidy from grant	317,334	5,003,832	91,558	396,889	119,615	5,929,228	1,025,336
Net cash provided by (used for) noncapital financing activities	(132,623)	4,788,727	(800,830)	91,259	(325,241)	3,621,292	1,528,767
<u>Cash flows from capital and related financing activities</u>							
Advances to other funds	0	0	0	0	0	0	120,000
Contributions from other funds and governments	0	15,479,373	0	23,099	15,243	15,517,715	0
Proceeds from sale of capital assets	0	0	0	0	0	0	159,105
Acquisition and construction of capital assets	0	(18,388,883)	(1,312,484)	(2,386,034)	(1,839,243)	(23,926,644)	(4,104,831)
Net cash provided by (used for) capital and related financing activities	0	(2,909,510)	(1,312,484)	(2,362,935)	(1,824,000)	(8,408,929)	(3,825,726)
<u>Cash flows from investing activities</u>							
Interest revenue	0	232,409	0	300,817	110,014	643,240	1,903,828
Net cash provided by (used for) investing activities	0	232,409	0	300,817	110,014	643,240	1,903,828
Net increase (decrease) in cash	0	(2,689,194)	(1,495,430)	417,082	55,484	(3,712,058)	7,494,102
Cash, July 1, 2019	0	12,710,674	1,495,430	12,353,137	4,405,254	30,964,495	74,920,410
Cash, June 30, 2020	0	10,021,480	0	12,770,219	4,460,738	27,252,437	82,414,512

continued

	Business-type Activities						Governmental Activities	
	Enterprise Funds						Internal Service	Funds
	Ambulance Transport	Municipal Airport	Parking Services	Stormwater Utility	Wastewater Utility	Totals		
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities								
Operating income (loss)	(2,577,844)	(7,117,521)	(1,289,960)	(1,251,400)	(4,366,347)	(16,603,072)	(4,026,508)	
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities								
OPEB prior period adjustment	0	0	0	0	0	0	2,880,487	
Depreciation	269,523	5,959,643	676,368	2,407,881	4,248,282	13,561,697	5,710,982	
(Increase) Decrease in accounts receivable	(95,471)	455,370	313,716	(142,095)	(21,900)	509,620	182,235	
Increase (Decrease) in allowance for uncollectibles	(17,081)	176,962	(86,354)	(564)	(439)	72,524	534	
(Increase) Decrease in due from other governments	139,519	(9,269,068)	13,628	(122,855)	284,259	(8,954,517)	(29,982)	
(Increase) Decrease in prepaids and deposits	0	0	0	5,093	5,093	10,186	56,858	
(Increase) Decrease in inventories	0	0	(1,114)	(58,345)	0	(59,459)	0	
(Increase) Decrease in deferred outflows related to pensions	12,675	10,869	2,655	14,073	20,425	60,697	27,436	
(Increase) Decrease in deferred outflows related to OPEB	1,428	(333)	(2,533)	(6,013)	(6,540)	(13,991)	(11,853)	
Increase (Decrease) in deferred inflows related to pensions	(15,881)	(13,618)	(3,327)	(17,633)	(25,591)	(76,050)	(34,375)	
Increase (Decrease) in deferred inflows related to OPEB	4,538	3,992	1,135	5,534	7,889	23,088	10,796	
Increase (Decrease) in net pension liability	1,324,283	1,135,586	277,458	1,470,406	2,134,000	6,341,733	2,866,496	
Increase (Decrease) in accounts payable	(27,699)	3,841,474	(426,164)	70,014	(368,536)	3,089,089	(68,189)	
Increase (Decrease) in wages payable	104,252	10,696	(9,018)	50,404	(27,517)	128,817	59,342	
Increase (Decrease) in compensated absences payable	115,602	92,569	(14,196)	101,259	130,459	425,693	203,693	
Increase (Decrease) in net OPEB liability	15,715	18,047	11,596	39,721	51,244	136,323	77,814	
Increase (Decrease) in claims payable	0	0	0	0	0	0	(943)	
Increase (Decrease) in deposits	0	0	(1,000)	0	0	(1,000)	54,185	
Increase (Decrease) in due to other funds	952,547	0	1,170,477	0	0	2,123,024	0	
Increase (Decrease) in due to other governments	(73,483)	(45,251)	(986)	(158,519)	29,930	(248,309)	(71,787)	
Increase (Decrease) in unearned revenue	0	(60,237)	(14,497)	(19,020)	0	(93,754)	12	
Net cash provided by (used for) operating activities	132,623	(4,800,820)	617,884	2,387,941	2,094,711	432,339	7,887,233	
Noncash capital and related financing activities								
During the year, \$47,666 of capital assets purchased by the Municipal Airport Fund were transferred to the Fleet Services Fund.								
During the year, the Stormwater Utility Fund capitalized \$1,530,437 in assets contributed from customers and \$194,403 in assets purchased by governmental funds.								
During the year, the Wastewater Utility Fund capitalized \$1,346,861 in assets contributed from customers and \$30,692 from governmental funds.								
During the year, \$377,718 of capital assets purchased by governmental funds were transferred to the Fleet Services Fund.								
During the year, \$6,553 of capital assets purchased by the Risk and Benefits Fund were transferred to the General Fund.								
During the year, \$5,908 of capital assets purchased by the Information Systems and Services Fund were transferred to the General Fund.								

The accompanying notes are an integral part of the financial statements.

CITY OF EUGENE, OREGON
Notes to Basic Financial Statements
Notes Index

(1)	Summary of Significant Accounting Policies	<u>Page(s)</u>
	(A) The Financial Reporting Entity	35
	(B) Organization and Operation	35
	(C) Government-wide and Fund Financial Statements	35
	(D) Measurement Focus, Basis of Accounting, and Financial Statement Presentation	36 - 39
	(E) Risk Management	39
	(F) Equity in Pooled Cash and Investments	40
	(G) Receivables	40
	(H) Interfund Receivables and Payables	40
	(I) Inventories and Prepaid Items	40
	(J) Capital Assets	41
	(K) Capitalized Interest	42
	(L) Compensated Absences	42
	(M) Noncurrent Obligations	42
	(N) Deferred Inflows/Outflows of Resources	42
	(O) Pensions	42
	(P) Other Post-Employment Benefits (OPEB)	43
	(Q) Fund Balance	43 - 44
	(R) Indirect Expenses Allocation	44
(2)	Reconciliation of Government-wide and Governmental Fund Financial Statements	
	(A) Explanation of Differences Between the Government-wide Statement of Net Position and the Governmental Fund Balance Sheet	45 - 46
	(B) Explanation of Differences Between the Government-wide Statement of Activities and the Statement of Revenues, Expenditures and Changes in Fund Balances	46 - 47
(3)	Stewardship, Compliance, and Accountability	
	(A) Budgetary Information	47 - 48
	(B) Deficit Net Position	48
(4)	Detailed Notes on All Funds	
	(A) Equity in Pooled Cash and Investments	48 - 50
	(B) Receivables	51
	(C) Interfund Transfers	52
	(D) Due From Other Governments	53
	(E) Capital Assets	54 - 56
	(F) Unavailable/Unearned Revenue	57
	(G) Operating Leases	57
	(H) Noncurrent Liabilities	58 - 62
(5)	Other Information	
	(A) Risk Management	63
	(B) Joint Ventures	63 - 64
	(C) Retirement Plan – Oregon PERS (OPERS)	64 - 71
	(D) Retirement Plan – OPSRP IAP	72
	(E) Other Post-Employment Benefits (OPEB) – Retirement Health Insurance Account (RHIA)	72 - 75
	(F) Other Post-Employment Benefits (OPEB) – Retiree Health and Life Insurance Plan (RHLI)	76 - 79
	(G) Contingencies	80
	(H) Outstanding Encumbrances	80
	(I) Tax Abatements	80 - 82
	(J) Prior Period Adjustment	83
	(K) Accounting Standards Issued but not yet Adopted	83

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The financial statements of the City of Eugene, Oregon (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

(A) The Financial Reporting Entity

As defined by GAAP, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose its will on the component unit, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

The accompanying financial statements present the City of Eugene, Oregon (the primary government) and its component unit. The City of Eugene is a municipal corporation governed by a council comprised of eight members, each elected by and representing the citizens of a different ward of the City, and a Mayor, who is elected at large. The component unit discussed in the next paragraph is included in the City's reporting entity because of the significance of its operational and financial relationship with the City.

Blended Component Unit. The Urban Renewal Agency of the City of Eugene (Agency) is a legally separate public body, corporate and politic, created by ordinance of the City, and governed by the City Council, acting in its capacity as the Urban Renewal Agency Board. Because the Agency's governing body is identical to the City's, and because City management is responsible for the Agency's operations, the funds of the Agency are blended with those of the City by including them in the appropriate statements and schedules of this Comprehensive Annual Financial Report, which can be viewed on the City's website at www.eugene-or.gov. Separate financial statements for the Agency can be obtained from the Finance Division of the City of Eugene or viewed on the City's website.

(B) Organization and Operation

The City operates under the Eugene Charter of 1976, a general grant of powers charter. The City Council, composed of the Mayor and eight council members, forms the legislative branch of the City government, while the City Manager acts as the administrative head.

The accounts of the City are organized on the basis of funds. Fund accounting is designed to demonstrate legal compliance and aid financial management by segregating government functions and activities. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances (net position), revenues, and expenditures (expenses).

The government-wide financial statements (Exhibits 1 and 2) report information on all activities of the primary government and its component unit. As a general rule, the effect of interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees, fines, and charges for services.

(C) Government-wide and Fund Financial Statements

Fund financial statements (Exhibits 3 through 8) are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(D) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to what is being measured by a fund. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

Government-wide and Proprietary Fund Financial Statements

The government-wide and proprietary fund financial statements are accounted for using an economic resources measurement focus, whereby all assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included in the Statement of Net Position and the Statement of Fund Net Position. The increases and decreases in net position are presented in the government-wide Statement of Activities and in the proprietary fund Statement of Revenues, Expenses, and Changes in Fund Net Position. These funds use the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Interfund activity consists of transfers, services provided and/or used, reimbursements, advances, and loans. As a general rule the effect of interfund activity has been eliminated from the governmental-wide financial statements. Exceptions to this general rule include interfund services provided and/or used. Interfund services provided and/or used are accounted for as revenues and expenses since the elimination of such revenues and expenses would distort the direct costs and program revenues reported for the various functions.

Amounts reported as program revenues in the Statement of Activities include 1) fees, fines, and charges for services, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Grants and contributions not restricted to specific programs are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Operating revenues and operating expenses are intermediate components within the proprietary fund Statement of Revenues, Expenses, and Changes in Fund Net Position, and include only those transactions that constitute their principal, ongoing activities exclusive of investing or financing transactions. Significant operating revenues include charges for services, rental income, and intergovernmental revenue. Significant operating expenses include personnel, materials and supplies, outside services, depreciation, and pension expense. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental Fund Financial Statements

The governmental fund financial statements are accounted for using a current financial resources measurement focus. The Balance Sheet reports current assets, current liabilities, and deferred inflows of resources; and the Statement of Revenues, Expenditures, and Changes in Fund Balance presents increases and decreases in net fund balance. These funds use the modified accrual basis of accounting whereby revenues are recorded only when susceptible to accrual (both measurable and available). "Measurable" means that the amount of the transaction can be determined. "Available" is defined as being collectible within the current period or soon enough thereafter (60 days) to be used to liquidate liabilities of the current period. Expenditures, other than interest on noncurrent obligations, are recorded when the fund liability is incurred.

Real and personal property taxes are levied as of July 1 for each fiscal year on values assessed as of January 1. Property taxes are an enforceable lien on both real and personal property as of July 1 and are due and payable in three installments on November 15, February 15, and May 15. All property taxes are billed and collected by Lane County and remitted to the City. In the governmental fund financial statements, property taxes are reflected as revenues in the fiscal period for which they were levied, provided they are due, or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days). Otherwise, they are reported as deferred inflows of resources. Property taxes which are held at year-end by the collecting agency, Lane County, and are remitted to the City within the 60-day period are reported as "Due from other governments."

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(D) Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Governmental Fund Financial Statements, continued

Intergovernmental revenues are recognized as revenues when all eligibility requirements are met. There are, however, essentially two types of intergovernmental revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, all eligibility requirements are determined to be met when the underlying expenditures are recorded. In the other, monies are virtually unrestricted as to the purpose of the expenditure and are usually revocable only for failure to comply with prescribed requirements; therefore, all eligibility requirements are determined to be met at the time of receipt or earlier if the susceptible to accrual criteria are met.

Licenses and permits, charges for services, fines and forfeits, and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Rental income is typically received in advance and is reported as unearned when appropriate.

Special assessments receivable and repayment of revolving loans expected to be collected within 60 days after year-end are considered measurable and available and are recognized as revenue. Assessment installments that are long-term are recorded as deferred inflows of resources.

Governmental Funds

Governmental funds finance most governmental functions of the City. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities, excluding those accounted for in proprietary funds, are accounted for through governmental funds. The measurement focus is upon determination of changes in current financial resources, rather than upon net position determination. The following are the City's major governmental funds:

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are property taxes, charges for services, licenses and permits, and intergovernmental revenues. Primary expenditures of the General Fund are made for fire and emergency medical services, library, recreation, and cultural services, planning and development, police, public works, and general administration.

Community Development Fund

The Community Development Fund is used to account for proceeds of specific revenue sources that are restricted, committed, or assigned, including grant revenues received from the federal government under provisions of Title I of the Community Development Act of 1974. Major expenditures include development loans to individuals and businesses, as well as capital improvements benefiting low-income persons.

General Capital Projects Fund

The General Capital Projects Fund is used to account for the financial resources that are restricted, committed, or assigned for capital outlay including construction of capital facilities not financed by proprietary or other capital projects funds. General Fund transfers, federal and state grants, and bond proceeds provide the financing for the expenditures of this fund.

Systems Development Capital Projects Fund

The Systems Development Capital Projects Fund is used to account for resources that are restricted, committed, or assigned for construction of the non-assessable portion of capacity-enhancing capital projects. Financing is provided by a systems development charge levied against developing properties. Expenditures are restricted by state law to capacity-enhancing projects for the following systems: transportation, sanitary sewers, storm sewers, and parks facilities.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(D) Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Proprietary Funds

Proprietary funds are used to account for the City's ongoing operations and activities which are similar to those found in the private sector. The measurement focus is economic resources and upon the determination of net position.

The following are the City's major proprietary funds:

Ambulance Transport Fund

The Ambulance Transport Fund accounts for the operation of emergency medical services provided to the public. Revenues are provided by user charges.

Municipal Airport Fund

The Municipal Airport Fund accounts for the operations of the municipal airport. Principal sources of revenues are rental of terminal space to airlines and other service providers, landing fees, and parking fees. The fund receives Airport Improvement Program monies from the Federal Aviation Administration for capital improvements. The fund also imposes passenger facility charges on passengers utilizing the airport, the proceeds of which are restricted for use in financing eligible projects as determined by regulation.

Parking Services Fund

The Parking Services Fund accounts for the operations of City-owned parking facilities. Revenue sources include parking fees and fines, meter receipts, and rentals. The revenue is used to operate and maintain the parking facilities and to supplement the General Fund through interfund transfers.

Stormwater Utility Fund

The Stormwater Utility Fund accounts for the operation and maintenance of the stormwater drainage system and the wetland resource protection and enhancement program. Primary revenues are stormwater user fees and the sale of wetland mitigation credits.

Wastewater Utility Fund

The Wastewater Utility Fund accounts for the operation, construction, and maintenance of the wastewater collection and treatment system. Primary revenues are wastewater user fees.

Additionally, the City reports the following fund type:

Internal Service Funds

Internal service funds account for those activities and services furnished internally to other organizational units within the City on a cost reimbursement basis. Charges are made to the various departments to support these activities. The City's internal service funds include facilities services, fleet services, information systems and services, professional services, and risk and benefits. The aggregate of all internal service funds is reflected in the fund financial statements.

Other Governmental Funds

Other governmental funds include all nonmajor special revenue, debt service, and capital projects funds of the City. The following lists all other governmental funds by governmental fund type:

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(D) Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Other Governmental Funds, continued

Special Revenue Funds:

- Community Safety
- Construction and Rental Housing
- Library Local Option Levy
- Library, Parks, and Recreation
- Parks and Recreation Local Option Levy
- Public Safety Communications
- Road
- Solid Waste and Recycling
- Special Assessment Management
- Telecom Registration and Licensing
- Urban Renewal Agency General
- Urban Renewal Agency Riverfront
- Urban Renewal Agency Riverfront Program Revenue

Debt Service Funds:

- General Obligation
- Miscellaneous
- Special Assessment Bond
- Urban Renewal Agency

Capital Projects Funds:

- Special Assessment
- Transportation
- Urban Renewal Agency
- Urban Renewal Agency Riverfront

(E) Risk Management

The City retains a portion of the risk of loss for workers' compensation, general liability, and medical, dental, and vision employee benefits. The amount estimated to be payable is based on an actuarial report of the estimated ultimate loss, including incurred but not reported claims as of the Statement of Fund Net Position date. Claims payable include all incremental costs directly incurred as a result of a claim, and consider estimated recoveries on both settled and unsettled claims. Claims expense is reduced by amounts recovered or expected to be recovered. Claims liability/expense are accounted for in the City's basic financial statements in an internal service fund.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(F) Equity in Pooled Cash and Investments

Policies adopted by the Investment Advisory Board and the Eugene City Council authorize the City to invest in obligations of the U.S. Treasury and its agencies, time certificates of deposit, governmental money market bank deposit accounts, bankers' acceptances, municipal bonds, corporate bonds, commercial paper, repurchase agreements, reverse repurchase agreements, and the Oregon Local Government Investment Pool.

It is the City's policy to report at amortized cost all short-term, highly-liquid money market investments (including corporate bonds, commercial paper, bankers' acceptances, municipal bonds, and U.S. Treasury and agency obligations) and participating interest-earning investment contracts with a remaining maturity at time of purchase of one year or less. Such investments are stated at cost, increased by accretion of discounts and reduced by amortization of premiums, both computed by the straight-line method. Callable investments purchased at a discount are amortized to the maturity date, and callable investments purchased at a premium are amortized to the first call date. Investments with a remaining maturity at time of purchase of more than one year are valued at fair value.

The City maintains a common cash and investments pool for all City funds. Interest earned on the pooled cash and investments is allocated quarterly based on each fund's average cash and investments balance as a proportion of the City's total pooled cash and investments. For purposes of the Statement of Cash Flows, the City considers "cash" to include the pooled cash and investments, since the pool has the general characteristics of a demand deposit account, in that any participating fund may deposit additional cash at any time and also may withdraw cash at any time without prior notice or penalty.

(G) Receivables

Unbilled City services that are significant and meet the measurable and available criteria for revenue recognition are accrued as revenue in the governmental fund financial statements at year-end. Significant unbilled service accounts receivable relating to the government-wide and proprietary fund financial statements are accrued as revenue when earned.

(H) Interfund Receivables and Payables

In the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "Due from other funds" or "Due to other funds" in the fund financial statements.

During the year, borrowings that occur between funds are classified as interfund loans or advances. In the fund financial statements, the short-term portion of such borrowings are classified as "Interfund loans receivable" or "Interfund loans payable". The noncurrent portion is classified as "Advances to other funds" or "Advances from other funds." The governmental fund financial statements report this as nonspendable fund balance to indicate funds are not available for appropriation and are not expendable financial resources.

In the government-wide financial statements, all interfund receivables and payables are combined and any residual balances between the governmental and business-type activities are reported as "Internal balances."

(I) Inventories and Prepaid Items

Inventories of materials and supplies are valued at cost or average cost using the first-in/first-out method. Inventories are capitalized and charged to operations as consumed in both the government-wide and fund financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements using the consumption method.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(J) Capital Assets

Capital assets are defined by the government as tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. The City's capitalization threshold for tangible assets is \$5,000. Tangible assets include land, rights-of-way (included with land), buildings, improvements, equipment, and infrastructure. The capitalization threshold for intangible assets is set at 0.5% of total capital assets for both governmental and business-type activities. Intangible assets include copyrights, trademarks, and computer software.

Infrastructure capital assets are those that are stationary in nature and can be preserved for a significantly greater number of years than most other capital assets. The City has a transportation infrastructure system reported in governmental activities consisting of roads, bridges, sidewalks, and traffic and lighting systems. Specifically relating to roads, improvements sufficient to meet the City's engineering design standards for increased structural capacity are capitalized. Infrastructure reported in business-type activities includes a regional airfield, parking lots, and stormwater and wastewater collection systems. Except for governmental activities infrastructure placed in service prior to July 1, 1980, all capital assets have been capitalized in the government-wide and proprietary fund financial statements. In accordance with the current financial resources measurement focus, capital assets are not capitalized in the governmental fund financial statements. All purchased capital assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Historical cost is measured by the cash or cash equivalent price of obtaining an asset, including ancillary charges necessary to place the asset into its intended location and condition for use. Donated capital assets are reported at acquisition value. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Amounts expended for maintenance and repairs are charged to expenditures/expenses in the appropriate funds as incurred and are not capitalized. Capital improvements financed by special assessments which provide assets to the City's Stormwater Utility Fund and Wastewater Utility Fund are capitalized in the proprietary fund Statement of Fund Net Position.

Capital assets are depreciated unless they are inexhaustible in nature or have an indefinite useful life (e.g., land and rights-of-way). Depreciation is an accounting process which allocates the cost of capital assets, in a systematic and rational manner, to those periods expected to benefit from the use of capital assets. Depreciation is not intended to represent an estimate in the decline of fair market value, nor are capital assets, net of accumulated depreciation, intended to represent an estimate of the current condition of the assets, or the maintenance requirements needed to maintain the assets at their current level of condition.

Depreciation is computed over the estimated useful lives of the capital assets. All estimates of useful lives are based on actual experience by City departments with identical or similar capital assets. Infrastructure assets are depreciated using a composite depreciation method. All other categories of assets are depreciated on the straight-line basis of accounting. The estimated useful lives of the various categories of assets are as follows:

<u>Category</u>	<u>Estimated useful life</u>
Buildings	40-50 years
Improvements other than buildings	20 years
Infrastructure	25-40 years
Equipment	3-15 years
Intangibles	5 years

Upon disposal of capital assets, cost and accumulated depreciation are removed from the accounts and, if appropriate, a gain or loss on the disposal is recognized. Capital assets of proprietary funds are reported net of accumulated depreciation in the government-wide Statement of Net Position and the proprietary funds Statement of Fund Net Position. Capital assets not specifically related to activities reported in proprietary funds are reported net of accumulated depreciation in the governmental activities column in the government-wide Statement of Net Position. Depreciation expense on proprietary fund capital assets is reported in the government-wide Statement of Activities and the proprietary fund Statement of Revenues, Expenses, and Changes in Fund Net Position. Depreciation expense on general capital assets is reported in the government-wide Statement of Activities as a direct expense.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(K) Capitalized Interest

Interest is capitalized on constructed assets in proprietary funds. For the year ended June 30, 2020, no interest was capitalized on proprietary fund capital assets.

(L) Compensated Absences

Liabilities for accumulated or vested vacation leave and compensation time benefits (compensated absences) are recorded in the government-wide financial statements and proprietary fund financial statements. The governmental fund financial statements do not report liabilities for compensated absences unless they are due for payment. Sick leave does not vest and is recorded in all funds as taken.

(M) Noncurrent Obligations

Noncurrent obligations are reported in the government-wide and proprietary fund financial statements as liabilities. The governmental fund financial statements do not report noncurrent obligations because they do not require the use of current financial resources. Bond discounts and premiums are deferred and amortized over the term of the bonds using the bonds-outstanding method in the government-wide and proprietary fund financial statements, but are recognized during the current period in the governmental fund financial statements. The bonds-outstanding method does not differ significantly from the effective interest method. Bond issuance costs are expensed in the period incurred.

The limited tax pension obligations are deep discount bonds that increase in value based on the initial yield to maturity. This increase in value is reflected as an increase in noncurrent liabilities on the Statement of Net Position and as interest expense on the Statement of Activities.

(N) Deferred Inflows/Outflows of Resources

In addition to assets, the government-wide Statement of Net Position and the proprietary funds Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expenditure/expense) until then. The City has two items that qualify for reporting in this category. They are the deferred amounts relating to OPEB and pensions. These amounts are deferred and recognized as an outflow of resources in the period when the City's recognizes pension expense/expenditures.

In addition to liabilities, the government-wide Statement of Net Position, the proprietary funds Statement of Net Position, and the governmental funds Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category. Unavailable revenue from property taxes and other receivables are reported in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also reports deferred amounts related to OPEB and pensions. These amounts are deferred and recognized as an inflow of resources in the period when the City recognizes OPEB and pension income and is reported in the government-wide Statement of Net Position and the proprietary funds Statement of Net Position, if applicable.

(O) Pensions

For purposes of measuring the net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS), and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at market value.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(P) Other Post-Employment Benefits (OPEB)

OPEB – Retiree Health and Life Insurance Plan (RHLI)

The City has two separate OPEB plans. For reporting purposes, the net OPEB asset (liability) and the deferred inflows and outflows related to OPEB for both plans have been combined on the statement of net position.

The fiduciary net position of the City's Healthcare Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB asset (liability), deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from City's Health Plan fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

OPEB – Retirement Health Insurance Account (RHIA)

For purposes of measuring the net OPEB asset (liability), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS), and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at market value.

(Q) Fund Balance

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and advances to other funds.

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the City Council passes an ordinance that places specific constraints on how the resources may be used. The City Council can modify or rescind the ordinance at any time through passage of an additional ordinance.

Resources that are constrained by the City's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent is expressed when the City Council approves which resources should be "reserved" during the adoption of the annual budget. The policies that address the designation of "reserves" are included in the City's financial management goals and policies adopted by the Council. The City's Finance Director uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the City's Comprehensive Annual Financial Report. The primary component of assigned fund balance is the City's unappropriated fund balance which equals two months of expenditures. This reserve enables the City to operate without borrowing money from the start of the fiscal year in July until November when property tax revenue is received.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned within the General Fund. Unassigned fund balance is comprised primarily of the City's reserve for revenue shortfall and the difference between budget and actual results for the current fiscal year. This classification is also used to report any negative fund balance amounts in other governmental funds.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(Q) Fund Balance, continued

When both restricted and unrestricted (committed, assigned, or unassigned) resources are available for use, it is the City's practice to use restricted resources first, then unrestricted resources as needed. When an expenditure is incurred where an unrestricted fund balance classification could be used, the City's practice is to use committed resources first, assigned resources second, and then unassigned amounts as they are needed.

Fund balances by classification for the year ended June 30, 2020 were as follows:

			General	Systems	Other	Total
		Community	Capital	Development	Governmental	Governmental
<u>Fund balances</u>	<u>General</u>	<u>Development</u>	<u>Projects</u>	<u>Capital</u>	<u>Funds</u>	<u>Funds</u>
Nonspendable:						
Advances To Other Funds	\$ 0	0	0	0	2,000,000	2,000,000
Inventories	0	0	0	0	1,077,914	1,077,914
Prepays and deposits	942,750	0	0	0	15,000	957,750
Permanent balance	0	0	0	0	80,000	80,000
Restricted:						
Capital projects	0	0	2,646,949	37,698,094	20,285,845	60,630,888
Community development	0	3,103,232	0	0	0	3,103,232
Rental housing program	0	0	0	0	337,464	337,464
Cultural services	740,503	0	0	0	10,852,127	11,592,630
Debt service	0	0	0	0	11,721,551	11,721,551
Road maintenance	0	0	0	0	3,888,974	3,888,974
Public safety	0	0	0	0	2,329,051	2,329,051
Solid waste and recycling	0	0	0	0	887,073	887,073
Urban renewal	0	0	0	0	20,232,167	20,232,167
Committed:						
Construction permits	0	0	0	0	9,421,795	9,421,795
Public safety	0	0	0	0	935,087	935,087
Special assessments	0	0	0	0	595,048	595,048
Telecommunications	0	0	0	0	4,709,624	4,709,624
Assigned:						
Unappropriated						
ending fund balance	28,760,000	0	0	0	0	28,760,000
Capital projects	0	0	47,597,334	0	0	47,597,334
Cultural services	1,306,969	0	0	0	0	1,306,969
Encumbrances	2,070,435	0	0	0	0	2,070,435
Other reserves	335,162	0	0	0	0	335,162
Unassigned	23,998,255	0	0	0	0	23,998,255
Total fund balances	\$ 58,154,074	3,103,232	50,244,283	37,698,094	89,368,720	238,568,403

(R) Indirect Expenses Allocation

In the fund financial statements, the City allocates certain indirect costs incurred by the central services function of the General Fund to other funds in order to recover expenditures made on behalf of those other City funds. This allocation has been removed from the direct expenses column in the government-wide Statement of Activities and a separate column titled indirect expenses allocation has been presented. Indirect costs allocated to business-type activities are equal to the amount actually paid by the function. The remaining indirect costs are allocated to governmental activities based on personnel service costs. The remaining net expense in the central services function represents direct program activity of that function including its share of allocated indirect costs.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(2) Reconciliation of Government-wide and Governmental Fund Financial Statements

(A) Explanation of Differences Between the Government-wide Statement of Net Position and the Governmental Fund Balance Sheet

The Balance Sheet for governmental funds (Exhibit 3) includes a reconciliation between total fund balances and total net position of governmental activities in the Statement of Net Position (Exhibit 1). The following are selected elements of that reconciliation.

The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds. The details of this \$27,299,338 difference are as follows:

Receivables:	
Interest	\$ 901,522
Taxes	4,796,432
Systems development charges	1,579,459
Municipal court	1,516,965
Assessments	185,469
Loans and notes	<u>20,031,094</u>
Subtotal	29,010,941
Allowance for uncollectibles	<u>(1,711,603)</u>
Net adjustment	<u>\$ 27,299,338</u>

Capital assets are not financial resources in governmental funds but are reported in the Statement of Net Position at their net depreciable value. The details of this \$484,785,211 difference are as follows:

Capital assets (net of accumulated depreciation) reported in the Statement of Net Position - governmental activities column:	
Land and construction in progress	\$ 132,534,110
Other capital assets (net of accumulated depreciation)	382,778,561
Capital assets (net of accumulated depreciation) reported in internal service funds included in the Statement of Net Position - governmental activities column	<u>(30,527,460)</u>
Net adjustment	<u>\$ 484,785,211</u>

All liabilities are reported in the Statement of Net Position. However, if they are not due and payable in the current period, they are not recorded in governmental funds. The details of this \$91,048,507 difference are as follows:

Bonds payable	\$ (73,841,328)
Notes and contracts payable	(5,076,000)
Accrued interest payable	(321,728)
Compensated absences	<u>(11,809,451)</u>
Net adjustment	<u>\$ (91,048,507)</u>

Net pension and OPEB liabilities as well as deferred inflows and outflows of resources related to pensions and OPEB are reported in the Statement of Net Position. These items represent a consumption of net position that applies to future periods. The details of the \$130,566,330 difference are as follows:

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(2) Reconciliation of Government-wide and Governmental Fund Financial Statements, continued

(A) Explanation of Differences Between the Government-wide Statement of Net Position and the Governmental Fund Balance Sheet, continued

Deferred inflows related to pensions	\$ (9,371,994)
Deferred inflows related to OPEB	(369,208)
Deferred outflows related to pensions	54,065,247
Deferred outflows related to OPEB	1,700,910
Net pension liability	(168,606,909)
Net OPEB liability	(7,984,376)
Net adjustment	<u>\$ (130,566,330)</u>

(B) Explanation of Differences Between the Government-wide Statement of Activities and the Statement of Revenues, Expenditures, and Changes in Fund Balances

The Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities is provided at Exhibit 5. The following are selected elements of that reconciliation:

Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received. The details of this \$1,675,399 difference are as follows:

Change in unavailable revenue from the following sources:	
Property taxes receivable	\$ 620,108
Special assessments receivable	520,510
System development charges receivable	(20,042)
Municipal court receivables	<u>268,832</u>
Subtotal	1,389,408
Change in the allowance for uncollectibles	<u>285,991</u>
Net adjustment	<u>\$ 1,675,399</u>

Donations of capital assets are reported as capital contributions in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources. In addition, the Statement of Activities reports gains and losses arising from the disposal of existing capital assets, while governmental funds do not. The details of this \$16,277,599 difference are as follows:

Donations of capital assets	\$ 16,282,730
Sale of capital assets	<u>(5,131)</u>
Net adjustment	<u>\$ 16,277,599</u>

Governmental funds do not report expenditures for unpaid compensated absences, net pension and OPEB liabilities, interest expense, or arbitrage since they do not require the use of current financial resources. However, the Statement of Activities reports such expenses when incurred, regardless of when settlement ultimately occurs. The details of this \$22,917,470 difference are as follows:

Compensated absences	\$ (1,463,169)
Net OPEB obligation	(1,115,158)
Net pension asset (liability)	(18,557,979)
Accrued interest	<u>(1,781,164)</u>
Net adjustment	<u>\$ (22,917,470)</u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(2) Reconciliation of Government-wide and Governmental Fund Financial Statements, continued

(B) Explanation of Differences Between the Government-wide Statement of Activities and the Statement of Revenues, Expenditures, and Changes in Fund Balances, continued

Capital outlay is reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital outlay over their estimated useful lives as depreciation expense. The details of this \$10,128,655 difference are as follows:

Capital outlay	\$ 33,189,679
Depreciation expense	<u>(23,061,024)</u>
Net adjustment	<u>\$ 10,128,655</u>

Repayments of long-term debt use current financial resources and are reported as expenditures in governmental funds. The payment of debt principal affects the Statement of Activities and is reported as a decrease in noncurrent liabilities in the Statement of Net Position. The details of this \$6,715,303 difference are as follows:

Issuance of general obligation bonds	\$ <u>(19,526,000)</u>
Principal payments:	
General obligation debt	\$ 12,606,697
Notes payable	<u>204,000</u>
Subtotal	<u>12,810,697</u>
Net adjustment	<u>\$ (6,715,303)</u>

Transfers of capital assets are often made between proprietary funds and governmental funds when the use of an asset changes. Transfers of liabilities are sometimes made between proprietary funds and governmental funds when the fund responsible for repayment changes. Such transfers will provide or use economic resources in proprietary funds but may not necessarily provide or use spendable financial resources in governmental funds.

Transfer of governmental capital assets to proprietary funds	\$ <u>(590,352)</u>
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(3) Stewardship, Compliance, and Accountability

(A) Budgetary Information

The City Manager submits to the Budget Committee a proposed operating and capital budget a sufficient length of time in advance to allow adoption of the budget prior to July 1. The operating and capital budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain community comments.

Prior to July 1, the City legally adopts its annual budget for all funds through passage of a resolution. The resolution authorizes fund appropriations as current annual departmental requirements, debt service, capital outlay, interfund transfers, interfund loans, and special payments.

Expenditures cannot legally exceed appropriations at these control levels. Appropriations which have not been spent at year-end lapse, although an amending resolution passed in the subsequent year specifically provides for the reappropriation of prior-year lapsed encumbrances.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(3) Stewardship, Compliance, and Accountability, continued

(A) Budgetary Information, continued

Unexpected additional resources or appropriations may be added to the budget through the use of a supplemental budget. A supplemental budget requires hearings before the public, publications in newspapers, and approval by the City Council. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by passage of a Council resolution authorizing the transfer. All budget amendments are subject to the limitations put forth in the Oregon Revised Statutes Chapters 294.305 through 294.565. Supplemental appropriations, permitted by Oregon Budget Law, were authorized by the City Council during the fiscal year. The net effect of amending resolutions passed during the fiscal year was an appropriation increase of \$49,080,596.

(B) Deficit Net Position

The Ambulance Transport Enterprise Fund and the Professional Services Internal Service Fund have a deficit net position of \$8,665,955 and \$5,200,576, respectively. The deficit net position is the result of the recognition of each fund's proportionate share of the City's pension bonds, net pension, and OPEB liabilities.

(4) Detailed Notes on All Funds

(A) Equity in Pooled Cash and Investments

The City maintains a common cash and investments pool that is available for use by all funds. Each fund's portion of this pool is displayed in the Statement of Net Position, the Statement of Fund Net Position, or the Balance Sheet as "Equity in pooled cash and investments." Cash and investments are comprised of the following at June 30, 2020:

Cash on hand	\$	31,504
Cash with fiscal agent		236,775
Deposits with banks		76,165,895
Investments		<u>269,153,496</u>
	\$	<u><u>345,587,670</u></u>

Deposits

At June 30, 2020, the City's deposits with various financial institutions were \$76,165,895, which included time certificates of deposits. The City's investment policy limits investments in time certificates of deposits to 50% of the City's total investment portfolio with a maximum length to maturity of three years.

All City deposits not covered by Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA) insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon. The PFCP is a shared liability structure for participating depositories, better protecting public funds, though not guaranteeing that all funds are 100% protected. A depository is required to pledge collateral securities with a total market value equal to at least 10% of their last reported uninsured public fund deposits. The Office of State Treasurer (OST) has identified the following exceptions to the collateral calculation and any exception requires 100% collateralization.

- A depository may not accept public fund deposits from one depositor in excess of their net worth. If the depository has a drop in net worth that takes them out of compliance, they are required to post 100% collateral on any amount the depositor has in excess of the depository's net worth while working to eliminate that excess.
- A depository may not hold aggregate public funds in excess of a percentage of their net worth based on their capitalization category (100% for undercapitalized, 150% for adequately capitalized, 200% for well capitalized) unless approved, for a period of 90 days or less, by OST.
- A depository may only hold in excess of 30% of all aggregate public funds reported by all depositories holding Oregon public funds if the excess is collateralized at 100%.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(A) Equity in Pooled Cash and Investments, continued

Deposits, continued

The OST, at the advice of the Director of Consumer and Business Services, may also, at any time, require depositories to pledge additional collateral up to 110% of the value of the uninsured public fund deposits. In the event of a depository failure, the entire pool of collateral pledged by all qualified Oregon public funds depositories is available to repay deposits of public funds of government entities.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a depository failure, the government's deposits may not be returned to it. At June 30, 2020, the City had deposits of \$1,000,000 insured by the FDIC, and \$78,719,666 collateralized under the PFCP. At June 30, 2020, the City had \$236,775 in deposits (cash with fiscal agent) held by escrow companies that were uninsured and uncollateralized

Investments

As of June 30, 2020, the City held the following investments:

<u>Investment type</u>	<u>Carrying value</u>	<u>% of investment portfolio</u>	<u>Weighted average maturity in years</u>
Corporate indebtedness	\$ 19,744,158	7.3%	0.696
Local government investment pool	47,749,511	17.7%	0.003
Municipal bonds	10,186,724	3.8%	1.168
U.S. agency securities	141,228,330	52.5%	0.959
U.S. treasury securities	50,244,773	18.7%	0.698
Total	<u>\$ 269,153,496</u>	<u>100.0%</u>	

Interest Rate Risk

As a means of limiting its exposure to losses from rising interest rates, the City's investment policy limits investment as follows:

<u>Investment type</u>	<u>Maximum length to maturity</u>
Bankers' acceptances	6 months
Corporate indebtedness	18 months
Local government investment pool	1 day
State and local government obligations	3 years
U.S. agency securities	3 years
U.S. treasury securities	3 years

With the exception of pass-through funds, the maximum amount of pooled investments to be placed in the Local Government Investment Pool is limited by Oregon Statute to \$49,500,000, which increases periodically proportionately to the Portland Consumer Price Index. The limit can be temporarily exceeded for ten business days and does not apply either to pass-through funds or to funds invested on behalf of another governmental unit.

Credit Risk

The City's policy, which adheres to State of Oregon law, is to limit its Corporate and Municipal investments as follows: Issuers within Oregon must be rated "A" (bonds) or A-2 / P-2 (commercial paper) or better by Standard and Poor's, Moody's Investors Service or any other nationally recognized statistical rating organization at time of purchase. Issuers not in Oregon must be rated AA / Aa (bonds) or A-1 / P-1 (commercial paper) or better at time of purchase.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(A) Equity in Pooled Cash and Investments, continued

Investments, continued

As of June 30, 2020, the City's investments were rated as follows:

<u>Investment type</u>	<u>Total</u>	<u>Highest Rating From</u> <u>Moody's Investors Service or Standard & Poor's Corporation</u>		
		<u>Aaa/AAA</u>	<u>Aa/AA</u>	<u>Not rated</u>
Corporate indebtedness	\$ 19,744,158	8,360,304	11,383,854	0
Local government				
investment pool	47,749,511	0	0	47,749,511
Municipal bonds	10,186,724	1,077,660	7,989,071	1,119,993
U.S. agency securities	141,228,330	130,653,951	0	10,574,379
U.S. treasury securities	50,244,773	45,867,912	0	4,376,861
Total	\$ 269,153,496	185,959,827	19,372,925	63,820,744

The Oregon State Treasurer maintains the Oregon Short Term Fund (OSTF), of which the Local Government Investment Pool (LGIP) is a part. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statutes, funds are invested as a prudent investor would do, exercising reasonable care, skill and caution. The LGIP was created to offer a short-term investment alternative to Oregon local governments and it is not registered with the U.S. Securities and Exchange Commission. The investments are regulated by the OSTF and approved by the Oregon Investment Council (ORS 294.805 to 294.895). At June 30, 2020, the fair value of the City's deposits with the LGIP approximates cost. The OSTF financial statements are available at <http://www.ost.state.or.us/>.

Concentration of Credit Risk

The City's policy for investing in individual issuers varies depending on the type of investments. U.S. Government Agency Securities are restricted to no more than 25.0% for any one issuer. No more than 25.0% of the total portfolio of investments may be invested in a single issuer of bankers' acceptances or repurchase agreements. Investments in commercial paper or corporate bonds may not exceed more than 35.0% of the portfolio and investments in any one issuer may not exceed 5.0% of the investment portfolio. Investments are limited to 5.0% per depository name and may not exceed more than 25.0% of the investment portfolio. The combined limit for each depository in certificates of deposits, bankers' acceptances, and corporate indebtedness is 10.0%.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

- Level 1 Unadjusted quoted prices for identical instruments in active markets
- Level 2 Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.
- Level 3 Valuations derived from valuation techniques in which significant inputs are unobservable.

As of June 30, 2020, the City's investments in U.S. Treasury Securities are classified as Level 1 and investments in Corporate Indebtedness, Municipal Bonds, and U.S. Agency Securities are classified as Level 2. The Local Government Investment Pool is not in the leveling hierarchy.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(B) Receivables

As of June 30, 2020, the City had two outstanding loans receivable from a private developer under the U.S. Department of Housing and Urban Development (HUD) Section 108 Loan Guarantee program totaling \$5,076,000. The private developer payments are used to repay the HUD loan, for which the City is contingently liable. Further information on the City's obligation under these two loans is available in the Notes Payable section of Note 4H Noncurrent Liabilities. Receivables for individual major funds, internal service funds, and other governmental funds in the aggregate, including the applicable allowances for uncollectible accounts at June 30, 2020, are as follows:

Fund description	Interest	Taxes	Accounts	Assessments	Loans and notes	Total gross receivables	Less		Total net receivables
							Allowance for uncollectibles		
General	\$ 751,880	4,046,555	3,412,593	0	0	8,211,028	(79,314)		8,131,714
Community Development	35,057	0	49,255	0	17,571,035	17,655,347	(17,881)		17,637,466
Systems Development Capital	0	0	2,071,760	0	0	2,071,760	0		2,071,760
Ambulance Transport	0	0	2,764,210	0	0	2,764,210	(359,157)		2,405,053
Municipal Airport	0	0	1,002,505	0	0	1,002,505	(318,882)		683,623
Parking Services	0	0	154,206	0	0	154,206	(68,647)		85,559
Stormwater Utility	0	0	2,722,183	0	0	2,722,183	(10,000)		2,712,183
Wastewater Utility	0	0	1,673,845	0	11,004	1,684,849	(5,631)		1,679,218
Internal service funds	0	0	172,625	0	0	172,625	(9,480)		163,145
Other governmental funds	157,390	858,748	854,741	183,661	2,460,059	4,514,599	(152,990)		4,361,609
	<u>\$ 944,327</u>	<u>4,905,303</u>	<u>14,877,923</u>	<u>183,661</u>	<u>20,042,098</u>	<u>40,953,312</u>	<u>(1,021,982)</u>		<u>39,931,330</u>
Government-wide adjustment for uncollectibles									<u>(1,711,603)</u>
Receivables (net of allowance) - Government-wide Statement of Net Position									<u>38,219,727</u>

continued

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(C) Interfund Transfers

<u>Fund description</u>	<u>General</u>	<u>General Capital Projects</u>	<u>Ambulance Transport</u>	<u>Internal service funds</u>	<u>Other governmental funds</u>	<u>Total transfers out</u>
General	\$ 0	4,619,300	0	1,840,907	6,799,450	13,259,657
Ambulance Transport	411,746	0	0	0	0	411,746
Municipal Airport	0	0	0	47,666	0	47,666
Parking Services	838,350	0	0	0	0	838,350
Other governmental funds	100,000	0	200,000	0	10,077,021	10,377,021
Total transfers in	\$ 1,350,096	4,619,300	200,000	1,888,573	16,876,471	24,934,440
General						12,461
						<u>24,946,901</u>

Transfers are routinely made for the following purposes:

- To move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.
- To move unrestricted revenues collected in the General Fund to finance various programs and activities accounted for in other funds in accordance with budgetary authorizations.
- To move revenues collected from restricted sources to other funds to pay for direct expenses.

Other transfers include \$0.8 million transferred from the Parking Services Fund to the General Fund to support general operations, \$1.7 million transferred from the General Fund to the Fleet Services Fund for future replacement of equipment, \$6.3 million transferred from the General Fund to the Community Safety Fund to cover operations until the payroll tax is implemented, and \$3.2 million transferred from the Urban Renewal Agency Riverfront Capital Fund to the Urban Renewal Agency Riverfront Program Revenue Fund to support development of the Eugene Water and Electric Board property that was acquired by the City.

continued

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(D) Due From Other Governments

Amounts due from other governments at June 30, 2020, are presented below:

<u>Fund description</u>	<u>State</u>	<u>Federal</u>	<u>County</u>	<u>Eugene Water and Electric</u>	<u>MWMC</u>	<u>Other</u>	<u>Total</u>
General	\$ 2,189,530	37,893	501,279	908,953	0	337,830	3,975,485
Community Development	0	348,546	0	0	0	0	348,546
General Capital Projects	29,193	103,496	0	0	0	0	132,689
Ambulance Transport	2,499	0	0	0	0	413,271	415,770
Municipal Airport	0	10,834,180	0	0	0	33,223	10,867,403
Parking Services	121,966	0	0	0	0	5,354	127,320
Stormwater Utility	119,309	145,571	57,450	0	0	976	323,306
Wastewater Utility	75,973	0	0	0	1,880,783	89,341	2,046,097
Internal service funds	355,947	0	38,751	0	0	111,768	506,466
Other governmental funds	3,801,239	1,321,544	1,249,810	22,145	0	133,257	6,527,995
Total due from other governments - Government-wide Statement of Net Position	\$ 6,695,656	12,791,230	1,847,290	931,098	1,880,783	1,125,020	25,271,077

continued

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(E) Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

<u>Governmental activities:</u>	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balance</u>
Capital assets, not being depreciated:				
Land	\$ 84,734,183	13,946,858	0	98,681,041
Construction in progress	39,799,697	18,308,703	(24,255,331)	33,853,069
Total capital assets, not being depreciated	124,533,880	32,255,561	(24,255,331)	132,534,110
Capital assets, being depreciated:				
Buildings and equipment	256,652,988	4,825,291	(3,042,093)	258,436,186
Improvements other than buildings	103,282,371	6,065,380	0	109,347,751
Infrastructure	410,476,857	34,522,300	0	444,999,157
Intangible	9,302,707	0	0	9,302,707
Total capital assets being depreciated	779,714,923	45,412,971	(3,042,093)	822,085,801
Less accumulated depreciation for:				
Buildings and equipment	(125,000,651)	(8,961,867)	2,911,082	(131,051,436)
Improvements other than buildings	(63,733,186)	(4,103,686)	0	(67,836,872)
Infrastructure	(222,851,089)	(13,821,773)	0	(236,672,862)
Intangible	(1,861,389)	(1,884,681)	0	(3,746,070)
Total accumulated depreciation	(413,446,315)	(28,772,007)	2,911,082	(439,307,240)
Total capital assets, being depreciated, net	366,268,608	16,640,964	(131,011)	382,778,561
Governmental activities capital assets, net	\$ 490,802,488	48,896,525	(24,386,342)	515,312,671

continued

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(E) Capital Assets, continued

Business-type activities:

Capital assets, not being depreciated:
Land
Construction in progress
Total capital assets, not being depreciated

Capital assets, being depreciated:
Buildings and equipment
Improvements other than buildings
Storm sewers
Trunk sewers
Total capital assets being depreciated

Less accumulated depreciation for:
Buildings and equipment
Improvements other than buildings
Storm sewers
Trunk sewers
Total accumulated depreciation

Total capital assets, being depreciated, net

Business-type activities capital assets, net

	Beginning balance	Increases	Decreases	Ending balance
\$	17,168,640	3,092	0	17,171,732
	5,626,782	7,088,927	(4,796,916)	7,918,793
	<u>22,795,422</u>	<u>7,092,019</u>	<u>(4,796,916)</u>	<u>25,090,525</u>
	100,261,252	3,591,411	(102,065)	103,750,598
	121,731,247	13,937,421	0	135,668,668
	83,909,934	3,445,459	0	87,355,393
	172,210,663	3,711,978	0	175,922,641
	<u>478,113,096</u>	<u>24,686,269</u>	<u>(102,065)</u>	<u>502,697,300</u>
	(42,979,340)	(2,637,467)	102,065	(45,514,742)
	(80,323,099)	(4,757,864)	0	(85,080,963)
	(27,751,810)	(2,134,512)	0	(29,886,322)
	(93,282,718)	(4,031,854)	0	(97,314,572)
	<u>(244,336,967)</u>	<u>(13,561,697)</u>	<u>102,065</u>	<u>(257,796,599)</u>
	233,776,129	11,124,572	0	244,900,701
\$	<u>256,571,551</u>	<u>18,216,591</u>	<u>(4,796,916)</u>	<u>269,991,226</u>

continued

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(E) Capital Assets, continued

Depreciation expense was charged to functions/programs as follows:

Governmental activities:

Central services	\$	358,421
Fire and emergency medical services		1,120,063
Library, recreation, and cultural services		2,648,549
Planning and development		172,857
Police		1,077,502
Public works		17,683,633
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets		5,710,982
	\$	<u>28,772,007</u>

Business-type activities:

Ambulance Transport	\$	269,523
Municipal Airport		5,959,643
Parking Services		676,368
Stormwater Utility		2,407,881
Wastewater Utility		4,248,282
	\$	<u>13,561,697</u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(F) Unavailable/Unearned Revenue

Unavailable revenues are reported as a deferred inflow of resources in the governmental funds Balance Sheet. Unavailable revenues are reported in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

Unearned revenues are reported as a liability in the proprietary funds Statement of Net Position and governmental funds Balance Sheet. Unearned revenues are reported in connection with resources that have been received but not yet earned. The various components of unavailable/unearned revenue at June 30, 2020 consist of the following:

<u>Fund by type</u>	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Property taxes receivable:			
General	\$ 4,689,563	0	4,689,563
Other governmental funds	1,008,390	0	1,008,390
Assessments receivable:			
Other governmental funds	183,662	0	183,662
Systems development charges receivable:			
Systems Development Capital	1,579,459	0	1,579,459
Notes receivable:			
Community Development	17,571,035	0	17,571,035
Other governmental funds	2,460,059	0	2,460,059
Other:			
General	1,516,965	2,579,831	4,096,796
Community Development	0	7,832	7,832
Municipal Airport	0	15,591	15,591
Parking Services	0	1,593	1,593
Internal service	0	12	12
Other governmental funds	1,807	270,010	271,817
Total unavailable/unearned revenue	\$ <u>29,010,940</u>	<u>2,874,869</u>	<u>31,885,809</u>

(G) Operating Leases

The City conducts some of its operations from leased facilities located throughout the City. All such leases for facilities are classified as operating leases and expire within the next five years. The total rental expense for the year ended June 30, 2020 for operating leases was \$1,370,096. Most of these leases for facilities contain an option whereby the City can, after the initial lease term, renew its lease for periods of one to ten years.

The following is a schedule of future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2020:

<u>Fiscal year</u> <u>ending June 30</u>	<u>Rentals</u>
2021	\$ 1,357,671
2022	931,099
2023	460,780
2024	256,440
2025	11,030
Total minimum future rentals	\$ <u>3,017,020</u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(H) Noncurrent Liabilities

Direct Borrowings

The City enters into direct borrowing agreements in the form of revolving credit facilities to provide temporary financing for voter approved General Obligation (G.O.) bond funded construction projects in governmental activities. The debt will be repaid from general property tax revenues or by the future issuance of long-term general obligation bonds, which can be issued at the City's discretion. The draws on the credit facilities are backed by the full faith and credit of the City and are included in the City's G.O. debt limit.

General Obligation Bond and Revolving Credit Facility (Streets 2017)

On November 7, 2017, Eugene voters passed Measure 20-275, authorizing the City to issue a maximum of \$51,200,000 of G.O. bonds. The proceeds from the sale of the bonds are to be used for streets, bicycle and pedestrian projects. The bonds can be issued to provide interim financing for costs of the projects, including costs associated with this facility. As of June 30, 2020, the City had \$41,124,000 in authorized but unissued borrowing remaining.

These bonds were issued through a G.O. and a revolving credit facility with Umpqua Bank, which matures on June 1, 2024 and has an authorized limit of \$5,000,000. The interest rate is a floating rate equal to the prime rate minus 2.55%. Draws on this credit facility are recorded as a financing source in the Transportation Capital Projects Fund. As of June 30, 2020, the City had a \$0 balance on the credit facility and an unused line of credit amount of \$2,750,000.

In the event of a default the bank may declare that the outstanding balance on the credit facility shall bear interest at the default rate until such event of default is remedied. The default rate is equal to the facility interest rate plus 3.00%.

	Beginning balance	Increase	Decrease	Ending balance
<u>Governmental activities</u>				
G.O. bond and revolving credit facility (Streets 2017)	\$ <u>2,250,000</u>	<u>7,526,000</u>	<u>(9,776,000)</u>	<u>0</u>

General Obligation (G.O.) Bonds

The City issues general obligation bonds to finance major construction projects in governmental activities. G.O. bonds in governmental activities are approved by voters, backed by the full faith and credit and unlimited taxing power of the City, and are serviced by general property tax revenues. The City's G.O. bonded debt is subject to a debt limit of 3.0% of real market value per Oregon Revised Statutes 287A.050. For the fiscal year ended June 30, 2020, the City had 97.0% of its legal debt capacity available.

On May 15, 2018, Eugene voters passed Measure 20-289, authorizing the City to issue a maximum of \$39,350,000 of general obligation (G.O.) bonds. The proceeds from the sale of the bonds are to be used for capital costs related to park renovation projects, trail and habitat projects, safety/lighting improvements, infrastructure projects, school district partnerships, recreation and pool facility renovation and improvement projects, and new park development. As of June 30, 2020, the City had \$10,700,000 in authorized but unissued borrowing remaining.

<u>Governmental activities</u>	Original issuance	Interest rates (%)	Ending balance
General obligation bonds serviced by general property taxes:			
General Obligation Refunding Bonds, Series 2011	\$ 10,975,000	2.000% to 3.000%	1,405,000
General Obligation and Refunding Bonds, Series 2016	10,125,000	2.000% to 5.000%	3,090,000
General Obligation, Series 2019A (tax-exempt)	23,620,000	3.000% to 5.000%	23,620,000
General Obligation, Series 2019B (taxable)	<u>5,030,000</u>	2.510% to 2.700%	<u>2,820,000</u>
Total general obligation bonds	<u>\$ 49,750,000</u>		<u>30,935,000</u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(H) Noncurrent Liabilities, continued

General Obligation (G.O.) Bonds, continued

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal year ending June 30	Governmental activities	
	Principal	Interest
2021	2,815,000	1,069,341
2022	2,825,000	989,676
2023	1,955,000	907,431
2024	1,880,000	823,931
2025	1,880,000	737,931
2026-2030	7,780,000	2,562,355
2031-2035	7,375,000	1,355,155
2036-2038	4,425,000	280,250
	<u>\$ 30,935,000</u>	<u>8,726,070</u>

Limited Tax Bonds

The City issues limited tax bonds in governmental and business-type activities. Limited tax bonds in governmental activities include limited tax improvement bonds, limited tax pension bonds, and limited tax Downtown Riverfront bonds. Limited tax improvement bonds finance public improvements that benefit private parties. Improvement bonds are secured by the benefited properties and are to be repaid in installments from property owners. Limited tax pension bonds finance a portion of the estimated unfunded actuarial liability with the Oregon Public Employees Retirement System. The pension bonds are to be repaid from existing revenue sources. Limited Downtown Riverfront bonds finance a portion of the infrastructure in the Downtown Riverfront redevelopment site. The Downtown Riverfront bonds are to be repaid from tax increment revenue and the other revenues in the Urban Renewal Agency. All limited tax bonds are backed by the full faith and credit of the City, within the limitations of Article XI of the Oregon Constitution.

<u>Governmental activities</u>	<u>Original issuance</u>	<u>Interest rates (%)</u>	<u>Ending balance</u>
Limited tax bonds:			
Limited Tax Pension Bonds, Series 2002	\$ 69,613,281	2.000% to 7.410%	37,781,284
Limited Tax Improvement Bonds, Series 2011	580,000	7.050%	128,577
Limited Tax Downtown Riverfront Bonds, Series 2020	<u>12,000,000</u>	1.840%	<u>12,000,000</u>
Total limited tax bonds governmental activities	<u>\$ 82,193,281</u>		<u>49,909,861</u>

Business-type activities

Limited tax bonds:			
Limited Tax Pension Bonds, Series 2002	\$ <u>14,721,179</u>	2.000% to 7.410%	<u>7,953,716</u>
Total limited tax bonds business-type activities	<u>14,721,179</u>		<u>7,953,716</u>
Total limited tax bonds	<u>\$ 96,914,460</u>		<u>57,863,577</u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(H) Noncurrent Liabilities, continued

Limited Tax Bonds, continued

Annual debt service requirements to maturity for limited tax improvement bonds are as follows:

Fiscal year ending June 30	Governmental activities		Business-type activities	
	Principal	Interest	Principal	Interest
2021	\$ 0	10,686	0	0
2022	0	10,686	0	0
2023	0	10,686	0	0
2024	0	10,686	0	0
2025	0	10,686	0	0
2026-2030	128,577	16,028	0	0
Improvement bonds	\$ 128,577	69,458	0	0

Annual debt service requirements to maturity for limited tax pension bonds are as follows:

Fiscal year ending June 30	Governmental activities		Business-type activities	
	Principal	Interest	Principal	Interest
2021	\$ 3,762,846	2,588,018	792,154	544,830
2022	4,324,588	2,330,263	910,412	490,567
2023	4,935,895	2,034,029	1,039,105	428,204
2024	5,605,029	1,695,920	1,179,971	357,025
2025	0	1,311,975	0	276,197
2026-2029	19,152,926	2,416,842	4,032,074	508,793
Pension bonds	37,781,284	12,377,047	7,953,716	2,605,616
Total limited tax bonds	\$ 49,909,861	13,684,089	7,953,716	2,605,616

Conduit Debt

On December 27, 2010, the City issued \$6,900,000 of Bank Loan Revenue Bonds, dated December 30, 2010, bearing a variable interest rate, and maturing on December 27, 2035. The bonds were issued to provide access to tax-exempt interest rates to Woolworth Properties, LLC for the construction of the Woolworth Building, which is located within the City's Downtown Urban Renewal District. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2020, \$5,168,397 of the bonds were outstanding.

Notes Payable

The City has entered into contracts with the U.S. Department of Housing and Urban Development (HUD) as a guarantor for loan guarantees made under HUD's Section 108 Loan Guarantee Program (Program). The Program is a source of financing for economic development.

HUD contracts for loan guarantee assistance contain certain security provisions. The primary security is a pledge by the City of its current and future Community Development Block Grant funds. The City provides additional security for each Guaranteed Loan in the form of property liens.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(H) Noncurrent Liabilities, continued

Notes Payable, continued

In July 2008, the City borrowed \$2,706,000 from HUD to finance the purchase of the historic Washburne and Centre Court buildings in the Urban Renewal Downtown District. On May 28, 2015, the City entered into an agreement with HUD to refinance this loan. The loan has an interest rate ranging from 0.28% to 3.15%, maturing on August 1, 2027.

On November 16, 2010, the City entered into a contract with HUD to borrow \$5,189,000 to support the rehabilitation of the historic Washburne and Centre Court buildings in the Urban Renewal Downtown District. On May 28, 2015, the City entered into an agreement with HUD to refinance this loan, pay down the balance, and remove the Washburne building as collateral. The loan has an interest rate ranging from 0.28% to 3.50%, maturing on August 1, 2030.

<u>Governmental activities</u>	<u>Loan amount</u>	<u>Interest rates (%)</u>	<u>Ending balance</u>
Notes payable:			
Housing and Urban Development -			
Centre Court Building	\$ 2,706,000	0.280% to 3.150%	667,000
Centre Court Building Rehabilitation	5,189,000	0.280% to 3.500%	4,409,000
	<u>\$ 7,895,000</u>		<u>5,076,000</u>

Annual debt service requirements to maturity for notes payable are as follows:

<u>Fiscal year ending June 30</u>	<u>Governmental activities</u>	
	<u>Principal</u>	<u>Interest</u>
2021	\$ 204,000	162,183
2022	204,000	157,767
2023	204,000	152,871
2024	204,000	147,516
2025	204,000	141,753
2026-2030	847,000	621,482
2031	<u>3,209,000</u>	<u>56,158</u>
	<u>\$ 5,076,000</u>	<u>1,439,730</u>

The HUD notes will be repaid from principal and interest payments received from a loan to Beam Properties Eugene LLC, who purchased the property from the City. The loan proceeds from the Beam Properties Eugene LLC loan will be received in the Community Development Special Revenue Fund.

Compensated Absences, Net Pension, and Net OPEB Liability

At June 30, 2020, the City reported compensated absences, net pension liability and net OPEB liability of \$13,073,970, \$188,275,669, \$13,813,727, respectively in governmental activities. The General Fund, internal service funds, and other governmental funds are typically used to liquidate these liabilities.

Internal Service Fund Debt

Based on an analysis of billings, governmental activities have been determined to be the predominant source of revenue for all internal service funds. Therefore, noncurrent liabilities of the internal service funds are reported in governmental activities. As of June 30, 2020, internal service fund debt included Limited Tax Pension Bonds (net of unamortized discount) of \$8,604,241, a net pension liability of \$19,668,760, a net OPEB liability of \$5,829,351, and \$1,264,521 in compensated absences.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(H) Noncurrent Liabilities, continued

Changes in Noncurrent Liabilities

Noncurrent liability activity for the year ended June 30, 2020 was as follows:

<u>Governmental activities</u>	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>	<u>Due after one year</u>
General obligation bonds	\$ 33,740,000	0	(2,805,000)	30,935,000	2,815,000	28,120,000
Limited tax bonds	41,187,655	12,000,000	(3,277,794)	49,909,861	4,874,845	45,035,016
Bond premium	1,720,357	0	(119,649)	1,600,708	0	1,600,708
Total bonds payable	<u>76,648,012</u>	<u>12,000,000</u>	<u>(6,202,443)</u>	<u>82,445,569</u>	<u>7,689,845</u>	<u>74,755,724</u>
General obligation bond and revolving credit facility	2,250,000	7,526,000	(9,776,000)	0	0	0
Compensated absences payable	11,407,108	11,076,070	(9,409,208)	13,073,970	11,878,168	1,195,802
Notes and contracts payable	5,280,000	0	(204,000)	5,076,000	204,000	4,872,000
Net Pension liability	161,340,621	26,935,048	0	188,275,669	0	188,275,669
Net OPEB liability	13,431,386	382,341	0	13,813,727	0	13,813,727
Governmental activities - noncurrent liabilities	<u>\$ 270,357,127</u>	<u>57,919,459</u>	<u>(25,591,651)</u>	<u>302,684,935</u>	<u>19,772,013</u>	<u>282,912,922</u>
<u>Business-type activities</u>						
Limited tax bonds	\$ 8,638,019	0	(684,303)	7,953,716	792,155	7,161,561
Total bonds payable	<u>8,638,019</u>	<u>0</u>	<u>(684,303)</u>	<u>7,953,716</u>	<u>792,155</u>	<u>7,161,561</u>
Compensated absences payable	2,498,708	2,389,869	(1,964,176)	2,924,401	2,701,220	223,181
Net Pension liability	38,486,071	6,341,733	0	44,827,804	0	44,827,804
Net OPEB liability	3,150,028	136,323	0	3,286,351	0	3,286,351
Business-type activities - noncurrent liabilities	<u>\$ 52,772,826</u>	<u>8,867,925</u>	<u>(2,648,479)</u>	<u>58,992,272</u>	<u>3,493,375</u>	<u>55,498,897</u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information

(A) Risk Management

The City has established an internal service fund to account for and finance its risks of loss. The City has a self-insured liability program which covers personal injury, public official's errors and omissions, law enforcement liability, automobile liability, employee benefits liability, and employment practices liability, with a maximum self-insured retention of \$500,000 per occurrence for automobile liability, general liability, and \$1,000,000 per occurrence for employee benefit and employment practice liability. In addition, the City has a self-insured workers' compensation program which covers employees' work-related illnesses and injuries, including employer's liability, with a maximum self-insured retention of \$1,000,000 per occurrence. During the previous three fiscal years, there were no liability claims that exceeded the insurance coverage levels.

All regular full and part-time City employees are eligible for medical, dental, and vision insurance coverage. Employees may choose between two self-insured plans: the City Health Plan, a Preferred Provider Organization (PPO) plan, or the City Managed Care Plan, a Point of Service (POS) plan. A third self-insured medical plan, the City Hybrid Plan, is available to non-represented, AFSCME and IATSE-represented employees. The City has established a self-insurance fund to pay medical, dental, and vision claims of employees and their dependents on the City Health Plan, up to the self-insurance retention limit of \$275,000 per employee.

Coverage for workers' compensation, general liability, and employees' health claims in excess of the self-insurance retention limit is purchased from commercial insurers. The City also purchases all-risk property insurance coverage from a commercial insurer. The property insurance policy has a basic \$25,000 deductible, with earthquake and flood insurance coverages subject to the following deductibles: flood – \$100,000 deductible per occurrence except that buildings in Flood Zones A and V have a \$500,000 deductible per building; earthquake – 2% of the combined value of the property at the location, subject to a minimum deductible of \$100,000 per location and the deductible applies separately to each location.

At June 30, 2020, a total claims liability of \$14,574,922 is reported in the Risk and Benefits Internal Service Fund. Claims liabilities reported by the City are based on an actuarial estimate of the ultimate cost of settling claims incurred, including incurred but not reported (IBNR) claims. Claims liabilities include all incremental costs incurred directly as a result of a claim and consider estimated recoveries on both settled and unsettled claims. Claims expense has been reduced by amounts recovered, or expected to be recovered, through excess insurance.

The following changes occurred in the claims liability in the current and previous fiscal year:

Fiscal year ended <u>June 30</u>	Liability balance at beginning of year	Current-year claims and changes in estimates	Claim payments	Liability balance at end of year
2019	\$ 13,192,613	28,147,917	(26,764,665)	14,575,865
2020	14,575,865	28,186,645	(28,187,588)	14,574,922

(B) Joint Ventures

The City is a participant with Lane County and the City of Springfield in the Metropolitan Wastewater Management Commission (MWMC), a joint venture established by intergovernmental agreement to construct, maintain, and operate regional sewerage facilities. The MWMC consists of a seven-member board to which the City appoints three voting members. The City has no explicit, measurable equity interest in the MWMC. However, the City has an ongoing financial responsibility for the operations of the MWMC in that the City is obligated to adopt disposal rates and charges not less than those adopted by the MWMC, and to forward to the MWMC, its share of the revenues as specified in the adopted financing plan, which requires that all MWMC administrative, operational, and maintenance expenses be financed through a uniform district-wide monthly fee.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(B) Joint Ventures, continued

MWMC contracts with the City for operation of the regional sewerage facilities on a cost reimbursement basis which is accounted for in the Wastewater Utility Fund. For the fiscal year ended June 30, 2020, the City provided billable operations to MWMC costing \$14,409,017 and MWMC owed the City \$1,880,782 for unreimbursed costs at year-end. MWMC's most recently published financial statement was for the year ended June 30, 2019, which reflected net income of \$8,767,780 and net position of \$177,849,526. Separate financial statements for MWMC can be obtained from the City of Springfield Finance Department.

(C) Retirement Plan – Oregon PERS (OPERS)

Plan Description

Employees of the City are provided with pensions through the Oregon Public Employees Retirement System (OPERS) a cost-sharing multiple-employer defined benefit pension plan, the Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A. OPERS issues a publicly available Comprehensive Annual Financial Report and Actuarial Valuation that can be obtained at: http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx

Plan Benefits

Tier One/Tier Two Retirement Benefit ORS Chapter 238.

The Tier One/Tier Two Retirement Benefit plan is closed to new members hired on or after August 29, 2003.

Pension Benefits

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0% for police and fire employees, 1.67% for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if it results in a greater benefit.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(C) Retirement Plan – Oregon PERS (OPERS), continued

Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

Benefit Changes After Retirement

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living (COLA) changes. All monthly pension and annuity benefits except unit purchases are eligible for post-retirement adjustments. As a result of the Senate Bills 822 and 861 and the Oregon Supreme Court decision in *Moro v. State of Oregon*, automatic post-retirement adjustments are based on a blended COLA rate.

The Supreme Court decision in *Moro* requires that members “will be entitled to receive during retirement a blended COLA rate that reflects the different COLA provisions applicable to benefits earned at different times.” The Supreme Court did not articulate a specific methodology for determining the blended COLA. For purposes of this valuation, PERS has determined the blend based on creditable service earned before and after October 2013. This approach is consistent with OAR 459-005-0510 adopted by the PERS Board in September 2015.

Automatic COLA for benefits earned prior to SB 822 and SB 861

Benefits are adjusted annually to reflect the increase or decrease in the Consumer Price Index (Portland area - all items) as published by the Bureau of Labor Statistics. The maximum adjustment to be made for any year is 2 percent of the previous year's benefit, except for 2013 when the adjustment is limited to 1.5%. Any CPI change in excess of the limit is accumulated for future benefit adjustments that would otherwise be less than the limit. No benefit will be decreased below its original amount.

Automatic adjustments for benefits earned post 2013

In 2014 and future years benefits will be increased annually based on a marginal rate schedule. The increase is calculated as 1.25% on the first \$60,000 of annual benefit and 0.15% on amounts above \$60,000 of annual benefit.

Plan Benefits

Oregon Public Service Retirement Plan (OPSRP) Pension Program (OPSRP DB)

The OPSRP Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003.

Pension Benefits

This portion of the OPSRP pension program provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

Police and fire: 1.8% is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(C) Retirement Plan – Oregon PERS (OPERS), continued

Pension Benefits, continued

General service: 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

Death Benefits

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives, for life, 50% of the pension that would otherwise have been paid to the deceased member.

Disability Benefits

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit Changes After Retirement

Under ORS 238A.210, monthly benefits are adjusted annually through cost-of-living (COLA) changes. All monthly pension and annuity benefits are eligible for postretirement adjustments. As a result of the Senate Bills 822 and 861 and the Oregon Supreme Court decision in *Moro v. State of Oregon*, automatic post-retirement adjustments are based on a blended COLA rate based on when the benefits were earned.

Automatic COLA for benefits earned prior to SB 822 and SB 861

Benefits are adjusted annually to reflect the increase or decrease in the Consumer Price Index (Portland area - all items) as published by the Bureau of Labor Statistics. The maximum adjustment to be made for any year is 2 percent of the previous year's benefit, except for 2013 when the adjustment is limited to 1.5%. Any CPI change in excess of the limit is accumulated for future benefit adjustments that would otherwise be less than the limit. No benefit will be decreased below its original amount.

Automatic adjustments for benefits earned post 2013

In 2014 and future years benefits will be increased annually based on a marginal rate schedule. The increase is calculated as 1.25% on the first \$60,000 of annual benefit and 0.15% on amounts above \$60,000 of annual benefit.

Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Post-Employment Benefit Plans.

Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation which became effective July 1, 2019. The rates in effect for the fiscal year ended June 30, 2020 were 25.07% for Tier One/Tier Two covered members, 16.23% for OPSRP Pension Program General Service Members, and 20.86% for OPSRP Pension Program Police and Fire Members. The City also charged an internal rate of 6.00% of payroll to departments to fund the repayment of the City's pension obligation bonds, which were issued in 2002. Employer contributions for the year ended June 30, 2020 were \$25,327,580.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(C) Retirement Plan – Oregon PERS (OPERS), continued

Pension Assets, Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the City reported (\$233,103,473) for its proportionate share of the net pension asset (liability). The net pension asset (liability) was measured as of June 30, 2019, and the total pension asset used to calculate the net pension asset (liability) was determined by an actuarial valuation as of December 31, 2017 rolled forward to June 30, 2019. The City's proportion of the net pension asset (liability) was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2019, the City's proportion was 1.3476%, which was an increase from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the City recognized pension expense (income) of \$58,523,802. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred outflows of <u>resources</u>	Deferred inflows of <u>resources</u>
Changes in proportion and differences between City contributions and proportionate share of contributions	\$ 712,276	4,074,977
Changes of assumptions or other inputs	31,623,146	0
Changes in proportionate share	3,672,251	2,372,557
Contributions subsequent to the measurement date	25,327,580	0
Difference between expected and actual experience with regard to economic or demographic factors	12,854,969	0
Net difference between projected and actual earnings on pension plan investments	0	6,608,247
	<u>\$ 74,190,222</u>	<u>13,055,781</u>

The \$25,327,580 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

Fiscal year <u>ending June 30</u>	Deferred outflows and (inflows) <u>of resources</u>
2021	\$ 22,158,827
2022	1,949,818
2023	6,049,545
2024	5,270,866
2025	377,805

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(C) Retirement Plan – Oregon PERS (OPERS), continued

Actuarial Valuations

The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the projected unit credit actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of 1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), 2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of 1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), 2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following:

Valuation Date:	December 31, 2017
Measurement Date:	June 30, 2019
Experience Study Report:	2016, published July 26, 2017

Actuarial assumptions

Actuarial cost method	Entry Age Normal
Inflation rate:	2.50%
Investment rate of return:	7.20%
Discount Rate:	7.20%
Projected salary increases:	3.50%
Cost of living adjustments	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality:	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2016 Experience Study which reviewed experience for the four-year period ending on December 31, 2016.

GASB Statement No. 68 reporting requirements allows for the measurement date (June 30, 2019) to be 12 months prior to the reporting date (June 30, 2020) and the actuarial valuation date (December 31, 2017) to be 30 months prior to the reporting date. The new pension asset (liability) for the June 30, 2020 reporting data will be based on the December 31, 2017 actuarial valuation date.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(C) Retirement Plan – Oregon PERS (OPERS), continued

Discount Rate

The discount rate used to measure the total pension liability was 7.20% for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes.

Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

	Low	High	
<u>Asset class/strategy</u>	<u>Range</u>	<u>Range</u>	<u>Target</u>
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Equity	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(C) Retirement Plan – Oregon PERS (OPERS), continued

Long-Term Expected Rate of Return, continued

<u>Asset class</u>	<u>Target</u>	Compound annual return (geometric)
Core fixed income	8.00%	3.49%
Short-term bonds	8.00%	3.38%
Bank/Leveraged loans	3.00%	5.09%
High yield bonds	1.00%	6.45%
Large/Mid cap US equities	15.75%	6.30%
Small cap US equities	1.30%	6.69%
Micro cap US equities	1.30%	6.80%
Developed foreign equities	13.13%	6.71%
Emerging foreign equities	4.12%	7.45%
Non-US small cap equities	1.88%	7.01%
Private equity	17.50%	7.82%
Real estate (Property)	10.00%	5.51%
Real estate (REITS)	2.50%	6.37%
Hedge fund of funds - diversified	2.50%	4.09%
Hedge fund - event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
	<u>100.00%</u>	
Assumed inflation – mean		2.50%

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(C) Retirement Plan – Oregon PERS (OPERS), continued

Depletion Date Projection, continued

- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Sensitivity of the City's proportionate share of the net pension asset (liability) to changes in the discount rate

The following presents the City's proportionate share of the net pension asset (liability) calculated using the discount rate of 7.2%, as well as what the City's proportionate share of the net pension asset (liability) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.2%) or 1 percentage-point higher (8.2%) than the current rate:

	1% decrease (6.2%)	Current discount rate (7.2%)	1% increase (8.2%)
City's proportionate share of the net pension asset (liability)	\$ (373,294,530)	(233,103,473)	(115,782,872)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Changes in Assumptions and Other inputs

Changes in actuarial methods and assumptions implemented since the December 31, 2016 valuation are described in the 2016 Experience Study (Study), published September 2017.

Changes in assumptions from that Study are reported in the table of actuarial methods and assumptions on page 71. Modifications to the allocation of actuarial accrued liabilities, administrative expense assumptions, healthcare cost inflation, and mortality tables can be found in the Study at:

<http://www.oregon.gov/PERS/Pages/Financials/Actuarial-Presentations-and-Reports.aspx>.

Plan Description

OPSRP Individual Account Program (IAP) is a defined contribution pension plan for Tier One/Tier Two and OPSRP plan members. All benefits of the system are established by the legislature pursuant to ORS Chapters 238 and 238A.

Plan Benefits

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(D) Retirement Plan – OPSRP IAP

Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5, 10, 15, or 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Recordkeeping

PERS contracts with VOYA Financial to maintain IAP participant records.

Contributions

State statute requires that covered employees contribute 6.0% of their annual covered salary to the IAP plan effective January 1, 2004. Statute allows that the employer may elect to pay the employees' required IAP contributions.

The City has elected to pay all of the employees' required IAP contributions, except for employees who are members of the City's International Association of Fire Fighters (IAFF) union. Beginning July 1, 2012, IAFF covered employees elected to pay the employees' required IAP contribution.

For the fiscal year ended June 30, 2020, the City's contributions and IAFF covered employees' contributions to the IAP were \$5,986,104 and \$1,290,652, respectively (a total of 6.0% of covered payroll).

(E) Other Post-Employment Benefits (OPEB) – Retirement Health Insurance Account (RHIA)

Plan Description

Employees of the City are provided with health insurance premium subsidies through the Retirement Health Insurance Account (RHIA). The Oregon Public Employees Retirement System (OPERS) administers the RHIA plan, a cost-sharing, multiple-employer defined benefit Other Post Employment Benefit (OPEB) plan. The Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A. OPERS issues a publicly available Comprehensive Annual Financial Report and Actuarial Valuation that can be obtained at:

http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx

Plan Benefits

The RHIA was established by ORS 238.420 and authorizes a payment up to \$60 from the RHIA toward the monthly costs of health insurance for eligible OPERS members. The plan was closed to new entrants hired on or after August 29, 2003. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan.

A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and member retired before May 1, 1991.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(E) Other Post-Employment Benefits (OPEB) – Retirement Health Insurance Account (RHIA), continued

Contributions

Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation which became effective July 1, 2019. The rates in effect for the fiscal year ended June 30, 2020 were 0.07% of PERS-covered salaries for Tier One and Tier Two members to fund the normal cost portion of RHIA benefits. PERS employers contributed 0.43% of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. Employer contributions for the year ended June 30, 2020 were \$47,980.

Employer contributions are advance-funded on an actuarially determined basis. There is no inflation assumption for RHIA postemployment benefits because the payment amount is set by statute and is not adjusted for increases in healthcare costs. As of June 30, 2019, the inactive RHIA plan participants currently receiving benefits totaled 44,208, and there were 45,958 active and 11,347 inactive members who meet the requirements to receive RHIA benefits when they retire.

OPEB Assets, Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the City reported \$2,014,695 for its proportionate share of the net OPEB asset (liability). The net OPEB asset (liability) was measured as of June 30, 2019, and the total OPEB asset used to calculate the net OPEB asset (liability) was determined by an actuarial valuation as of December 31, 2017 rolled forward to June 30, 2019. The City's proportion of the net OPEB asset (liability) was based on a projection of the City's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2019, the City's proportion was 1.04261%, which was an increase from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the City recognized OPEB expense (income) of (\$271,621). At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Changes of assumptions or other inputs	\$ 0	2,087
Changes in proportionate share	0	14,301
Contributions subsequent to the measurement date	47,980	0
Difference between expected and actual experience	0	265,678
Net difference between projected and actual earnings on investments	0	124,356
	<u>\$ 47,980</u>	<u>406,422</u>

The \$47,980 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense (income) as follows:

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(E) Other Post-Employment Benefits (OPEB) – Retirement Health Insurance Account (RHIA), continued

OPEB Assets, Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB, continued

Fiscal year ending June 30	Deferred outflows and (inflows) of resources
2021	\$ (209,704)
2022	(185,974)
2023	(23,554)
2024	12,810

Actuarial Valuations

See actuarial valuations included in note 5 (C) Retirement Plan – Oregon PERS (OPERS)

GASB Statement No. 75 reporting requirements allows for the measurement date (June 30, 2019) to be 12 months prior to the reporting date (June 30, 2020) and the actuarial valuation date (December 31, 2017) to be 30 months prior to the reporting date. The new OPEB asset (liability) for the June 30, 2021 reporting data will be based on the December 31, 2018 actuarial valuation date.

Discount Rate

The discount rate used to measure the total OPEB liability was 7.2%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return

See Long-Term Expected Rate of Return included in note 5 (C) Retirement Plan – Oregon PERS (OPERS)

Depletion Date Projection

GASB 75 generally requires that a blended discount rate be used to measure the Total OPEB Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 75 will often require that the actuary perform complex projections of future benefit payments and OPEB plan investments. GASB 75 (paragraph 82) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(E) Other Post-Employment Benefits (OPEB) – Retirement Health Insurance Account (RHIA), continued

Depletion Date Projection, continued

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 75 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 75 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Sensitivity of the City's proportionate share of the net OPEB asset (liability) to changes in the discount rate

The following presents the City's proportionate share of the net OPEB asset (liability) calculated using the discount rate of 7.2%, as well as what the City's proportionate share of the net OPEB asset (liability) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.2%) or 1 percentage-point higher (8.2%) than the current rate:

	1% decrease (6.2%)	Current discount rate (7.2%)	1% increase (8.2%)
City's proportionate share of the net OPEB asset (liability)	\$ 1,561,908	2,014,695	2,400,502

OPEB plan fiduciary net position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued PERS financial report

Changes in Assumptions and Other inputs

Changes in actuarial methods and assumptions implemented since the December 31, 2016 valuation are described in the 2016 Experience Study (Study), published September 2017.

Changes in assumptions from that Study are reported in the table of actuarial methods and assumptions on page 41. Modifications to the allocation of actuarial accrued liabilities, administrative expense assumptions, healthcare cost inflation, and mortality tables can be found in the Study at:

<http://www.oregon.gov/PERS/Pages/Financials/Actuarial-Presentations-and-Reports.aspx>.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(F) Other Post-Employment Benefits (OPEB) – Retiree Health and Life Insurance Plan (RHLI)

Plan Description

The City administers the RHLI, a single-employer defined benefit healthcare plan that provides post-retirement medical, dental, and vision coverage for eligible retirees, their spouses, domestic partners, and dependents on a self-pay basis. Benefit provisions are established through negotiations between the City and representatives of collective bargaining units. Eligible participants may select from one of the City's three self-insured healthcare plans: the City Health Plan, the City Managed Care Plan, or the Hybrid Plan. The level of benefits provided by the plans are the same as those afforded to active employees. Coverage is provided to retirees, spouses, and domestic partners until they become eligible for Medicare, typically age 65, and to eligible dependents until age 26.

The City also provides post-employment life insurance benefits to fully disabled employees through a single employer defined benefit plan. The plan provides a waiver of life insurance premiums for employees who participate in the City's life insurance plan who become totally disabled; the plan is underwritten by Standard Insurance Company, whereby the City pays a premium rate for active and disabled employees, and Standard Insurance Company provides term life insurance coverage. In the event the City changes life insurance carriers, Standard Insurance Company does not retain any liability for future death benefits. In changing life insurance carriers, if the new carrier was unwilling to accept the liability for the disabled employees, the City would be responsible for any future death benefits.

Plan Benefits

The City's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. Due to the effect of age, retiree claim costs are generally higher than claim costs for all members as a whole. The difference between retiree claims costs and the amount of retiree healthcare premiums represents the City's implicit employer contribution.

The City's post-employment life insurance benefit for disabled employees is an elective benefit offered by the City, this benefit is subject to collective bargaining agreements. The amount of life insurance benefits that a disabled employee receives is based on the amount of coverage and the reduction pattern in effect at the time of disablement. The coverage amount varies per employer group; the maximum benefit is \$250,000.

Contributions

The City has the authority to establish and amend contribution requirements. The required contribution is based on projected pay-as-you-go financing requirements. Since the City's healthcare plan is self-insured, the annual required contributions can fluctuate. For the fiscal year ending June 30, 2020, the City's combined plan contributions were \$1,001,435. As of June 30, 2019 there were 1,512 active and 183 inactive members who meet the requirements to receive benefits when they retire.

Funding Policy

The City did not establish an irrevocable trust (or equivalent arrangement) to account for either plan. Instead, the activities of the plans are reported in the City's Risk and Benefits Internal Service Fund. Neither plan issues a separate report.

OPEB Assets, Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the City reported a (\$19,114,773) net OPEB asset (liability). The net OPEB asset (liability) was measured as of June 30, 2019, and the net OPEB asset (liability) was determined by an actuarial valuation as of July 1, 2018. For the year ended June 30, 2020, the City recognized OPEB expense (income) of \$1,950,123.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(F) Other Post-Employment Benefits (OPEB) – Retiree Health and Life Insurance Plan (RHLI), continued

OPEB Assets, Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB, continued

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Changes of assumptions or other input	\$ 676,645	73,982
Contributions subsequent to the measurement date	1,001,435	0
Differences between expected and actual experience	835,065	43,349
	<u>\$ 2,513,145</u>	<u>117,331</u>

The \$1,001,435 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as expense (income) as follows:

Fiscal year ending June 30	Deferred outflows and (inflows) of resources
2020	\$ 126,847
2021	126,847
2022	126,847
2023	126,847
2024	126,847
Thereafter	253,695

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(F) Other Post-Employment Benefits (OPEB) – Retiree Health and Life Insurance Plan (RHLI), continued

Actuarial Assumptions

The total OPEB liability in the July 1, 2018 actuarial valuation was determined using the following:

Valuation Date:	July 1, 2018
Measurement Date:	June 30, 2019
Actuarial cost method	Entry Age Normal

Actuarial assumptions

Inflation rate:	2.50%
Discount Rate:	3.50% per year, based on all years discounted at municipal bond rate.
Projected salary increases:	3.5% per year plus the Salary Merit Scale below.
Participation:	100% of active employees eligible for post-employment life insurance benefits. 50% of active employees currently enrolled in City medical plan are assumed to remain enrolled at retirement until Medicare eligibility.
Salary Merit Scale:	Total payroll increase is overall payroll growth plus merit table below.

Duration	General Service	Police & Fire
0	3.38%	4.44%
5	1.94%	2.39%
10	0.99%	1.23%
15	0.43%	0.69%
20	0.14%	0.52%
25	0.02%	0.44%
30 +	-0.04%	0.21%

Healthcare cost trend rate:	Healthcare rates decrease 0.1% annually from 7.0% from the year ended June 30, 2019 to 6.0% for those years ending beyond June 30, 2029.
Mortality:	Basic table: RP 2014, Employee/Healthy Annuitant, sex distinct, generational. Improvement Scale: Unisex Social Security Data Scale (60 year average). Male Adjustment: Blended 50% blue collar/50% white collar, setback 12 Months. Female Adjustment: Blended 50% blue collar/50% white collar, no set back.
Disabled mortality:	Basic table: RP 2014, Disabled Retiree, sex distinct, generational, no collar adjustment, no set back. Improvement Scale: Unisex Social Security Data Scale (60 year average).

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

GASB Statement No. 75 reporting requirements allows for the measurement date (June 30, 2019) to be 12 months prior to the reporting date (June 30, 2020) and the actuarial valuation date (July 1, 2018) to be 30 months prior to the reporting date.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(F) Other Post-Employment Benefits (OPEB) – Retiree Health and Life Insurance Plan (RHLI), continued

Discount Rate

The discount rate used to measure the total OPEB liability was 3.50%, which is based on municipal bond rates.

Sensitivity of the City's proportionate share of the net OPEB asset (liability) to changes in the discount rate and trend rates

The following presents the City's net OPEB asset (liability) calculated using the discount rate of 3.50%, as well as what the City's net OPEB asset (liability) would be if it were calculated using a discount rate that is one percentage-point lower (2.50%) or one percentage-point higher (4.5%) than the current rate:

	1% decrease (2.50%)	Current discount rate (3.50%)	1% increase (4.50%)
City's proportionate share of the net OPEB asset (liability)	\$ (20,757,328)	(19,114,773)	(17,599,947)

The following presents the City's net OPEB asset (liability) calculated using the healthcare cost trend rate of 7.00% graded down to 5.00%, as well as what the City's net OPEB asset (liability) would be if it were calculated using a healthcare cost trend rate that is one percentage-point lower (6.00%) or one percentage-point higher (8.00%) than the current rate.

	1% decrease 6.00% graded down to 4.00%	Current trend rate 7.00% graded down to 5.00%	1% increase 8.00% graded down to 6.00%
City's proportionate share of the net OPEB asset (liability)	\$ (15,403,740)	(19,114,773)	(20,251,593)

Changes in OPEB Liability (RHLI)

Balance at 6/30/19	\$ (17,722,000)
Changes for the year:	
Service cost	(1,005,001)
Interest	(727,804)
Differences between expected and actual experience	49,542
Changes of assumptions or other input	(773,309)
Benefit payments	1,063,799
Net changes	(1,392,773)
Balance at 6/30/20	\$ (19,114,773)
Estimated covered payroll	\$ 106,060,740
Total OPEB Liability as a percentage of covered payroll	18.02%

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(G) Contingencies

The City is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. Claims covered by the City's self-insurance internal service fund are reviewed and losses are accrued based upon the judgment of City management. Based upon the advice of legal counsel with respect to such litigation and claims, City management cannot determine what effect the ultimate disposition of these matters will have on the financial position or results of operations of City funds.

(H) Outstanding Encumbrances

At June 30, 2020, the City has encumbered the following significant commitments:

<u>Fund</u>	<u>Amount</u>
General	\$ 2,070,435
Community Development	1,656,099
General Capital Projects	10,107,152
Systems Development Capital	3,455,257
Ambulance Transport	108,087
Municipal Airport	998,134
Parking Services	92,461
Stormwater Utility	1,060,155
Wastewater Utility	1,257,816
Internal service funds	5,285,692
Other governmental funds	15,217,731
Total outstanding encumbrances	<u>\$ 41,309,019</u>

(I) Tax Abatements

The City uses property tax abatements to encourage business and economic development. The City has four tax abatement programs: Low-Income Rental Housing Property Tax Exemption, Multi-Unit Property Tax Exemption, Property Tax Differential, and the West Eugene Enterprise Zone.

The City's tax abatement programs reduce or eliminate the amount of property taxes that a property owner pays. The revenue impact from property tax abatements consists of two components: revenue loss and revenue shift. Most property taxes levied in the City are through fixed tax rates. With these levies if a property is exempt from taxation then the City simply raises less money than if the property was taxable.

Some levies, mostly bond levies to repay debt, do not have a fixed tax rate and instead calculate the tax rate each year by dividing the amount of tax revenue needed that year across the value of all taxable properties. In these cases, if a property is exempt from tax the effect is to raise the overall tax rate on the remaining taxable properties. Therefore the final amount of tax raised for the City will remain the same because the tax burden is shifted to the other properties.

Low-Income Rental Housing Property Tax Exemption

The Low-Income Rental Housing Property Tax Exemption (LIRHPTE) is enabled by Oregon Revised Statute (ORS) 307.515 – 307.535 and City Code 2.910 – 2.922. LIRHPTE is designed to encourage development of properties that are offered for rent or held for the purpose of increasing low-income rental housing.

Rental properties constructed after February 12, 1990, or rental properties owned by 501c (3) non-profits that are offered for rent or held for the purpose of developing low-income rental housing are eligible. Property must be rented only to persons with income at or below 60 percent of area median income based on US Department of Housing and Urban Development criteria, and must be rented at rates that reflect the full property tax reduction.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(I) Tax Abatements, continued

Low-Income Rental Housing Property Tax Exemption, continued

The abatement applies to real property taxes, which are reduced through a reduction of the property's assessed value. Properties that meet the requirements qualify for 100% exemption over a 20 year period. These tax abatement agreements do not include any provisions for recapturing any abated taxes.

Multi-Unit Property Tax Exemption

The Multi-Unit Property Tax Exemption (MUPTE) is enabled by ORS 307.600 – 307.637 and City Code 2.945 – 2.947. MUPTE programs are designed to be an incentive of redevelopment of residential properties in city centers and along transit corridors. In Eugene, the City Council has authorized the use of MUPTE in the downtown area and west of the University. The program has been discontinued in the West University area and it has been narrowed so that student housing is no longer eligible.

Multi-unit redevelopment housing projects with five or more units that are newly constructed, additions to existing multi-unit housing, or structures converted in whole or in part from other use to dwelling units are eligible for MUPTE. The commercial portion of a project is eligible for an exemption if deemed a public benefit by City Council. The land and improvements not exempted by City Council continue to be taxed during the MUPTE period.

To be considered for MUPTE approval, projects must provide the following public benefits: compact urban development, green building features, local economic impact plan, moderate-income housing contribution, project design and compatibility, historic and existing housing sensitivity, and project need.

The abatement applies to real property taxes, which are reduced through a reduction of the property's assessed value. The MUPTE program offers a property tax exemption on the new structure or incremental change in the property value of the building that comprises the project for a maximum of ten years. These tax abatement agreements do not include any provisions for recapturing any abated taxes.

Property Tax Differential

The tax differential program is designed to encourage annexation of property to a municipality. Annexations of property in the City are typically initiated by the property owner to obtain a service or right that the City provides. Typical services requested include sanitary sewer, Eugene Water and Electric Board electric and water, city police or fire protection, library services, and the ability to vote in city elections. The City Council must approve all annexations in the City.

In certain unique circumstances, the City will enter into an annexation agreement with a property owner that reduces the City's property tax rate on the annexed property by a specific percentage for a period up to ten years. These Property Tax Differentials are enabled by ORS 222 and City Resolution No. 5015 and 5068.

The abatement applies to real property taxes, which are reduced through a reduction of the property's tax rate. The City determines a percentage applied to reduce the City's property tax rates. Only the tax rates of the City are reduced. As part of the tax abatement agreement, the property owner must repay the tax differential amount if the property owner does not annex to the City in a timely manner.

The City may agree to other commitments when providing incentives for annexation. Under current agreements, the City has reduced or waived the City annexation application fee and paid the County annexation fees.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued

(I) Tax Abatements, continued

Property Tax Differential, continued

In 1991, the City developed an annexation and urban services policy agreement for the Industrial Corridor Community Organization designed to encourage annexation of the entire area and ensure that all properties would be served by sewers by the year 2000. That agreement set out a number of commitments designed to result in an orderly transition from rural to urban services in the area, such as initiating a refinement plan, agreeing to not force annexation of any property, reviewing city policies related to sanitary sewers, parking lot and sidewalks, and lobbying for beneficial legislation.

West Eugene Enterprise Zone

The West Eugene Enterprise Zone is enabled by ORS 285C and City Ordinance No. 20368. The Zone was established to stimulate economic success by providing tax incentives for employment, business, industry and commerce and by providing adequate levels of complementary assistance to community strategies for such interrelated goals as environmental protection, growth management and efficient infrastructure.

The West Eugene Enterprise Zone offers a three to five year tax exemption period. For the basic, three-year enterprise zone exemption period, the business needs to:

- Increase full-time, permanent employment of the firm inside the enterprise zone by the greater of one new job or ten percent;
- Enter into first-source agreement with local job training providers;
- Maintain employment levels during exemption period;
- Have no concurrent job losses more than 30 miles from the zone; and
- Satisfy local additional conditions, imposed in the West Eugene Enterprise Zone.

The Zone Sponsor may waive required employment increase for investments of \$25.0 million or more. Four or five years of exemption in total can be granted with special approval from the Zone Sponsor. The requirements include the basic three-year requirements, plus:

- Compensation for new jobs created must be at least 150 percent of the average wage for Lane County;
- Local approval by written agreement with the local Zone Sponsor; and
- Additional requirements that the local zone sponsor may reasonably request.

The abatement applies to real and personal property taxes, which are reduced through a reduction of the assessed value. The property taxes normally assessed on a new building/structure, or newly installed machinery and equipment qualify for 100% exemption. Land, existing buildings, existing machinery and equipment, and minor personal property items are not eligible for the exemption. Property is disqualified if it is used for an ineligible activity, such as retail operations, or if the business substantially curtails operations or closes during the exemption period. When property becomes disqualified, prior exempt taxes are billed for payment.

For the fiscal year ending June 30, 2020, the property tax impacts from tax abatements are as follows:

Property Tax Impact	<u>LIRHPT</u>	<u>MUPT</u>	Property tax <u>differential</u>	West Eugene <u>Enterprise Zone</u>
Revenue Loss	\$ 522,666	879,998	56,213	213,543
Revenue Shift	92,392	155,558	3,158	37,748

The reported property tax impacts were calculated using post division of tax rates. The amounts represent the amount of assessed property taxes. The amount of revenue losses does not take into consideration early payment discounts or property tax collection rates.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

5) Other Information, continued

(J) Prior Period Adjustment

The City set aside \$2.6 million in FY09 from a PERS settlement to pay for future OPEB claims in the Risk and Benefits Internal Service Fund. The funds were not placed in an irrevocable trust and since then, the City has continued to fund OPEB expenses on a pay-as-go-basis. In FY20, City management decided instead to repurpose that money with accumulated interest earnings that grew to \$2.9 million and use it as a partial contribution to the PERS Employer Incentive Fund. Council approved contributing up to \$8.0 million as part of the FY21 Adopted Budget on June 22, 2020. Due to economic conditions and future uncertainty due to the pandemic, the City contributed \$5.0 million to the PERS Employer Incentive Fund in July 2020. By doing so, the City received a 0.004 percent reduction in its contribution rates starting on September 1, 2020.

(K) Accounting Standards Issued but not yet Adopted

GASB Statement No. 87, Leases was issued in June 2017. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This statement is effective for fiscal years beginning after December 15, 2019. Earlier application is encouraged.

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General Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

	Budget		Actual		
	Original	Final	Budget basis	Adjustment	GAAP basis
<u>Revenues</u>					
Taxes	125,022,000	125,022,000	124,523,926	0	124,523,926
Licenses and permits	9,000,543	9,000,543	8,666,796	0	8,666,796
Intergovernmental	6,145,000	8,399,784	11,232,509	0	11,232,509
Rental income	565,802	565,802	450,201	0	450,201
Charges for services	16,140,771	17,962,866	13,525,087	(1,042,611)	12,482,476
Fines and forfeits	1,856,500	1,856,500	1,468,518	0	1,468,518
Miscellaneous	3,169,414	3,334,553	2,574,748	143,770	2,718,518
Total revenues	161,900,030	166,142,048	162,441,785	(898,841)	161,542,944
<u>Expenditures</u>					
Current - departmental:					
Central services	27,401,970	31,278,717	27,379,338	(9,649,655)	17,729,683
Fire and emergency medical services	32,885,929	33,873,007	33,427,446	(51,200)	33,376,246
Library, recreation, and cultural services	33,051,134	35,461,223	32,301,586	(73,138)	32,228,448
Planning and development	8,213,562	10,471,127	8,593,318	(813,384)	7,779,934
Police	57,418,869	59,024,485	57,832,784	468,747	58,301,531
Public works	6,807,147	7,275,899	7,079,595	0	7,079,595
Special payments	700,000	3,700,000	242,206	(229,228)	12,978
Total expenditures	166,478,611	181,084,458	166,856,273	(10,347,858)	156,508,415
Excess (deficiency) of					
revenues over expenditures	(4,578,581)	(14,942,410)	(4,414,488)	9,449,017	5,034,529
<u>Other financing sources (uses)</u>					
Transfers in	11,443,096	11,443,096	11,443,096	(10,093,000)	1,350,096
Transfers out	(4,949,300)	(13,259,657)	(13,259,657)	0	(13,259,657)
Total other financing sources (uses)	6,493,796	(1,816,561)	(1,816,561)	(10,093,000)	(11,909,561)
Net change in fund balance					
	1,915,215	(16,758,971)	(6,231,049)	(643,983)	(6,875,032)
Fund balance, July 1, 2019	60,834,217	63,130,039	63,130,039	1,899,067	65,029,106
Fund balance, June 30, 2020	62,749,432	46,371,068	56,898,990	1,255,084	58,154,074

Community Development Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

	Budget		Actual		
	<u>Original</u>	<u>Final</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
Revenues					
Intergovernmental	8,261,927	8,261,927	3,744,293	0	3,744,293
Charges for services	50,500	50,500	55,387	0	55,387
Repayment of revolving loans	0	0	0	787,103	787,103
Miscellaneous	765,449	765,449	593,980	5,224	599,204
Total revenues	9,077,876	9,077,876	4,393,660	792,327	5,185,987
Expenditures					
Current - departmental:					
Central services	0	0	0	176,000	176,000
Planning and development	3,586,275	3,079,310	2,153,263	2,009,953	4,163,216
Debt service	371,249	371,249	370,120	0	370,120
Capital outlay	1,573,617	704,645	501,332	0	501,332
Special payments	8,909,961	8,538,045	2,009,953	(2,009,953)	0
Total expenditures	14,441,102	12,693,249	5,034,668	176,000	5,210,668
Excess (deficiency) of revenues over expenditures	(5,363,226)	(3,615,373)	(641,008)	616,327	(24,681)
Other financing sources (uses)					
Principal payments received	2,394,000	2,394,000	787,103	(787,103)	0
Transfers out	(176,000)	(176,000)	(176,000)	176,000	0
Total other financing sources (uses)	2,218,000	2,218,000	611,103	(611,103)	0
Net change in fund balance	(3,145,226)	(1,397,373)	(29,905)	5,224	(24,681)
Fund balance, July 1, 2019	4,703,087	3,121,932	3,121,932	5,981	3,127,913
Fund balance, June 30, 2020	1,557,861	1,724,559	3,092,027	11,205	3,103,232

CITY OF EUGENE, OREGON

Notes to Required Supplementary Information

June 30, 2020

(1) Schedule of City's Proportionate Share of the Net Pension Asset (Liability)

The City's proportionate share of the net pension asset (liability) is actuarially determined by comparing the City's projected long-term contributions to OPERS to the total projected long-term contributions to the plan from all employers.

	2014	2015	2016	2017	2018	2019	2020
Proportion of the net pension asset (liability)	1.35%	1.35%	1.31%	1.34%	1.36%	1.32%	1.35%
Proportionate share of the net pension asset (liability)	\$ (69,360,287)	30,504,733	(75,419,692)	(201,536,828)	(182,787,266)	(199,826,692)	(233,103,473)
Covered payroll	92,904,027	92,451,727	95,710,435	100,127,793	103,471,224	107,069,591	112,855,413
Proportionate share of the net pension asset (liability)							
as a percentage of its covered payroll	-74.66%	33.00%	-78.80%	-201.28%	-176.66%	-186.63%	-206.55%
Plan fiduciary net position as a percentage of the total pension asset (liability)	N/A	103.60%	91.90%	80.50%	83.10%	82.10%	80.20%

Schedule of City Contributions

	2014	2015	2016	2017	2018	2019	2020
Contractually required contribution	\$ 11,751,145	12,098,455	14,860,759	15,180,903	17,914,297	18,597,007	25,327,580
Contributions in relation to the contractually required contribution	(11,751,145)	(12,098,455)	(14,860,759)	(15,180,903)	(17,914,297)	(18,597,007)	(25,327,580)
Contribution deficiency (excesses)	\$ 0	0	0	0	0	0	0
Covered payroll	92,451,727	95,710,435	100,127,793	103,471,224	107,069,591	112,855,413	121,424,094
Contributions as a percentage of covered payroll	12.71%	12.64%	14.84%	14.67%	16.73%	16.48%	20.86%

CITY OF EUGENE, OREGON

Notes to Required Supplementary Information

(2) Schedule of City's Proportionate Share of the Net OPEB RHIA Asset (Liability)

The City's proportionate share of the net OPEB (RHIA) asset (liability) is actuarially determined by comparing the City's projected long-term contributions to OPERS to the total projected long-term contributions to the plan from all employers.

	2017	2018	2019	2020
Proportion of the net OPEB asset (liability)	1.05%	1.01%	1.02%	1.04%
Proportionate share of the net OPEB asset (liability)	\$ (286,227)	422,740	1,140,586	2,014,695
Covered payroll	100,127,793	103,471,224	107,069,591	112,855,413
Proportionate share of the net OPEB asset (liability) as a percentage of its covered payroll	-0.29%	0.41%	1.07%	1.79%
Plan fiduciary net position as a percentage of the total OPEB asset (liability)	94.20%	108.90%	108.90%	124.00%

Schedule of City Contributions

	2017	2018	2019	2020
Contractually required contribution	\$ 307,063	494,750	516,738	47,980
Contributions in relation to the contractually required contributions	(307,063)	(494,750)	(516,738)	(47,980)
Contribution deficiency (excesses)	\$ 0	0	0	0
Covered payroll	103,471,224	107,069,591	112,855,413	121,424,094
Contributions as a percentage of covered payroll	0.30%	0.46%	0.46%	0.04%

(3) Schedule of Changes in the City's Total OPEB RHIA Asset (Liability)

	2018	2019	2020
Service cost	\$ (840,339)	(861,347)	(1,005,001)
Interest	(639,080)	(645,964)	(727,804)
Differences between expected and actual experience	0	(1,113,421)	49,542
Changes of assumptions or other input	0	98,644	(773,309)
Benefit payments	1,145,181	2,328,882	1,063,799
Net change in total OPEB liability	(334,238)	(193,206)	(1,392,773)
Total OPEB liability - beginning	(17,194,556)	(17,528,794)	(17,722,000)
Total OPEB liability - ending	\$ (17,528,794)	(17,722,000)	(19,114,773)
Covered employee payroll	\$ 106,083,368	102,474,145	106,060,740
Total OPEB Asset (Liability) as a percentage of payroll	16.52%	17.29%	18.02%

Note: Only the information for the years available is presented in the above schedules.

CITY OF EUGENE, OREGON

Notes to Required Supplementary Information

(4) Budget to GAAP Reconciliation

Sections of Oregon Revised Statutes (Oregon Budget Law) require most transactions be budgeted on the modified accrual basis of accounting. However, there are certain transactions where statutory budget requirements conflict with generally accepted accounting principles (GAAP). The following discusses the differences between the budget basis and GAAP basis of accounting for the General Fund and the Community Development Fund.

	<u>General</u>	<u>Community Development</u>
Net change in fund balance - budget basis	\$ (6,231,049)	(29,905)
<i>Budget resources not qualifying as revenues or other financing sources under GAAP:</i>		
Indirect and other cost reimbursements received are reported as revenues or other financing sources on a budget basis. Such receipts are reclassified as a reduction of expenditures on a GAAP basis.	11,135,612	0
<i>Revenues and other financing sources required by GAAP not qualifying as budget resources:</i>		
Adjustment for fair value of investments at year end is reported as miscellaneous revenue on a GAAP basis. Such revenues are not reflected on a budget basis.	143,771	5,224
<i>Budget expenditures not qualifying as expenditures or other</i>		
Indirect and other costs reimbursed are reported as expenditures on a budget basis. Such disbursements are reclassified as a reduction of revenues and other financing sources on a GAAP basis.	(11,135,612)	0
Prepaid expenses are recorded in the year paid on a budget basis. However, such expenses are matched to the accounting period benefited under GAAP.	<u>(787,754)</u>	<u>0</u>
Net change in fund balance - GAAP basis.	<u>\$ (6,875,032)</u>	<u>(24,681)</u>

Principal payments received of \$787,103 and loans granted of \$2,009,953 are reported in the Community Development Fund as other financing sources and special payments, respectively. Such amounts have been reclassified as revenues and departmental expenditures on a GAAP basis. In addition, indirect cost reimbursements are reclassified from transfers to departmental administrative expenditures on a GAAP basis.

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Combining Balance Sheet*Nonmajor Governmental Funds*

June 30, 2020

(amounts in dollars)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
<u>Assets</u>				
Equity in pooled cash and investments	45,207,615	15,383,365	23,811,358	84,402,338
Receivables:				
Interest	33,811	123,579	0	157,390
Taxes	253,203	605,545	0	858,748
Accounts	854,741	0	0	854,741
Assessments	56,631	83,073	43,957	183,661
Loans and notes	2,460,059	0	0	2,460,059
Allowance for uncollectibles	(152,990)	0	0	(152,990)
Due from other governments	3,537,507	69,746	2,920,742	6,527,995
Inventories	1,077,914	0	0	1,077,914
Prepays and deposits	15,000	0	0	15,000
Assets held for resale	0	1,541	3,059,064	3,060,605
Advances to other funds	600,000	0	1,400,000	2,000,000
Total assets	53,943,491	16,266,849	31,235,121	101,445,461
<u>Liabilities</u>				
Accounts payable	426,697	0	1,108,981	1,535,678
Wages payable	1,272,075	0	0	1,272,075
Due to other governments	1,187,853	0	22,174	1,210,027
Deposits	6,324	0	1,168,709	1,175,033
Interfund loans payable	120,000	0	0	120,000
Unearned revenue	66,300	0	203,710	270,010
Advances from other funds	840,000	0	2,000,000	2,840,000
Total liabilities	3,919,249	0	4,503,574	8,422,823
<u>Deferred inflows of resources</u>				
Unavailable revenue	2,795,956	813,739	44,223	3,653,918
Total deferred inflows of resources	2,795,956	813,739	44,223	3,653,918
<u>Fund balances</u>				
Nonspendable	1,772,914	0	1,400,000	3,172,914
Restricted	29,854,674	15,453,110	25,226,468	70,534,252
Committed	15,600,698	0	60,856	15,661,554
Total fund balances	47,228,286	15,453,110	26,687,324	89,368,720
Total liabilities, deferred inflows of resources, and fund balances	53,943,491	16,266,849	31,235,121	101,445,461

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the fiscal year ended June 30, 2020

(amounts in dollars)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Revenues				
Taxes	8,318,033	15,959,234	2,879,182	27,156,449
Licenses and permits	9,900,892	0	0	9,900,892
Intergovernmental	15,539,658	0	5,152,908	20,692,566
Rental income	309,218	0	0	309,218
Charges for services	4,424,981	0	201,165	4,626,146
Fines and forfeits	39,103	0	0	39,103
Special assessments	14,166	32,714	0	46,880
Repayment of revolving loans	162,141	0	0	162,141
Miscellaneous	1,885,405	297,565	552,006	2,734,976
Total revenues	40,593,597	16,289,513	8,785,261	65,668,371
Expenditures				
Current - departmental:				
Central services	7,802,089	0	0	7,802,089
Fire and emergency medical services	356,028	0	0	356,028
Library, recreation, and cultural services	2,614,798	0	0	2,614,798
Planning and development	11,743,512	0	0	11,743,512
Police	5,180,527	0	0	5,180,527
Public works	15,696,292	0	0	15,696,292
Debt service:				
Principal	0	12,606,697	0	12,606,697
Interest	22,464	1,223,307	0	1,245,771
Capital outlay	78,802	0	23,171,471	23,250,273
Special payments	0	657,707	0	657,707
Total expenditures	43,494,512	14,487,711	23,171,471	81,153,694
Excess (deficiency) of revenues over expenditures	(2,900,915)	1,801,802	(14,386,210)	(15,485,323)
Other financing sources (uses)				
Issuance of debt	0	12,000,000	7,526,000	19,526,000
Transfers in	12,426,471	0	4,450,000	16,876,471
Transfers out	(4,720,000)	(2,453,688)	(3,203,333)	(10,377,021)
Total other financing sources (uses)	7,706,471	9,546,312	8,772,667	26,025,450
Net change in fund balances	4,805,556	11,348,114	(5,613,543)	10,540,127
Fund balances, July 1, 2019	42,422,730	4,104,996	32,300,867	78,828,593
Fund balances, June 30, 2020	47,228,286	15,453,110	26,687,324	89,368,720

City of Eugene, Oregon
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2020
(amounts in dollars)

	Community Safety	Construction and Rental	Library Local Option Levy	Library, Parks, and Recreation	Parks and Recreation Local Option Levy	Public Safety Communications	Road	Solid Waste and Recycling	Special Assessment Management and Licensing	Telecom Registration	Urban Renewal Agency	Urban Renewal Agency Riverfront Program Revenue	Total
Assets													
Equity in pooled cash and investments	1,121,227	10,083,470	2,814,691	6,151,557	2,112,346	1,825,057	2,902,578	908,255	538,990	5,674,906	3,304,314	1,146,958	45,207,615
Receivables:													
Interest	0	0	9,168	0	4,451	0	0	0	0	0	7,746	12,446	33,811
Taxes	0	0	85,035	0	80,719	0	0	0	0	0	0	87,449	253,203
Accounts	0	106,346	0	5,250	0	0	281,441	0	0	309,964	151,740	0	854,741
Assessments	0	0	0	0	0	0	0	0	56,631	0	0	0	56,631
Loans and notes	0	0	0	7,913	0	0	0	0	0	0	2,452,146	0	2,460,059
Allowance for uncollectibles	0	0	0	0	0	0	(7,130)	0	0	0	(145,860)	0	(152,990)
Due from other governments	15,270	128,616	43,949	0	53,629	593,800	1,362,373	7,702	0	0	1,321,544	10,624	3,537,507
Inventories	0	0	0	0	0	0	1,077,914	0	0	0	0	0	1,077,914
Prepays and deposits	0	0	0	0	0	0	0	0	0	15,000	0	0	15,000
Advances to other funds	0	0	0	0	0	0	0	0	600,000	0	0	0	600,000
Total assets	1,136,497	10,318,432	2,952,843	6,164,720	2,251,145	2,418,857	5,617,176	915,957	1,195,621	5,999,870	7,091,630	1,257,477	53,943,491
Liabilities													
Accounts payable	2,625	9,473	0	13,347	68,900	1,684	164,819	0	0	140,899	13,060	11,890	426,697
Wages payable	198,578	379,250	89,690	0	58,791	87,912	405,143	28,884	4,798	19,029	0	0	1,272,075
Due to other governments	207	170,450	0	0	18,121	210	69,002	0	0	94,465	834,964	434	1,187,853
Deposits	0	0	0	0	0	0	6,324	0	0	0	0	0	6,324
Interfund loans payable	0	0	0	0	0	0	0	0	0	120,000	0	0	120,000
Unearned revenue	0	0	0	447	0	0	5,000	0	0	60,853	0	0	66,300
Advances from other funds	0	0	0	0	0	0	0	0	0	840,000	0	0	840,000
Total liabilities	201,410	559,173	89,690	13,794	145,812	89,806	650,288	28,884	4,798	1,275,246	848,024	12,324	3,919,249
Deferred inflows of resources													
Unavailable revenue	0	0	94,202	7,913	85,170	0	0	0	56,631	0	2,452,146	99,894	2,795,956
Total deferred inflows of resources	0	0	94,202	7,913	85,170	0	0	0	56,631	0	2,452,146	99,894	2,795,956
Fund balances													
Nonspendable	0	0	0	80,000	0	0	1,077,914	0	600,000	15,000	0	0	1,772,914
Restricted	0	337,464	2,768,951	6,063,013	2,020,163	2,329,051	3,888,974	887,073	0	0	3,791,460	1,145,259	29,854,674
Committed	935,087	9,421,795	0	0	0	0	0	0	534,192	4,709,624	0	0	15,600,698
Total fund balances	935,087	9,759,259	2,768,951	6,143,013	2,020,163	2,329,051	4,966,888	887,073	1,134,192	4,724,624	3,791,460	1,145,259	47,228,286
Total liabilities, deferred inflows of resources, and fund balances	1,136,497	10,318,432	2,952,843	6,164,720	2,251,145	2,418,857	5,617,176	915,957	1,195,621	5,999,870	7,091,630	1,257,477	53,943,491

City of Eugene, Oregon
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
 For the fiscal year ended June 30, 2020
 (amounts in dollars)

	Community Safety	Construction and Rental Housing	Library Local Option Levy	Library Parks, and Recreation	Parks and Recreation Local Option Levy	Public Safety Communications	Road	Waste and Recycling	Special Assessment Management and Licensing	Telecom Registration	Urban Renewal Agency Riverfront	Urban Renewal Agency Program Revenue	Total
Revenues													
Taxes	0	0	2,612,007	0	3,026,051	0	0	0	0	0	2,679,975	0	8,318,033
Licenses and permits	0	3,994,404	0	0	0	0	2,254,839	1,123,030	2,528,619	0	0	0	9,900,892
Intergovernmental	25,945	114,734	74,471	15	61,956	1,863,904	12,234,959	19,695	0	0	1,144,079	0	15,539,658
Rental income	0	0	0	39,810	0	0	269,408	0	0	0	0	0	309,218
Charges for services	0	3,815,684	0	26,549	0	151,714	218,650	792	48,564	7,000	156,028	0	4,424,981
Fines and forfeits	0	39,003	0	0	0	0	0	100	0	0	0	0	39,103
Special assessments	0	0	0	0	0	0	0	0	14,166	0	0	0	14,166
Repayment of revolving loans	0	0	0	81,047	0	0	0	0	0	0	81,094	0	162,141
Miscellaneous	38,233	257,835	68,823	584,015	47,877	49,434	374,565	33,153	38,060	85,955	106,346	148,203	1,885,405
Total revenues	64,178	8,221,660	2,755,301	731,436	3,135,884	2,064,952	15,352,421	1,176,770	100,790	2,621,574	2,732,881	148,203	40,593,597
Expenditures													
Current - departmental:													
Central services	2,302,312	1,024,000	0	0	40,100	225,000	1,027,000	121,000	112,204	2,950,473	0	0	7,802,089
Fire and emergency medical services	0	356,028	0	0	0	0	0	0	0	0	0	0	356,028
Library, recreation, and cultural services	90,980	0	2,322,196	201,622	0	0	0	0	0	0	0	0	2,614,798
Planning and development	0	7,440,108	0	80,000	0	0	0	933,212	0	0	2,660,155	630,037	11,743,512
Police	2,805,249	0	0	0	384,019	1,991,259	0	0	0	0	0	0	5,180,527
Public works	0	533,119	0	0	2,185,116	0	12,978,057	0	0	0	0	0	15,696,292
Debt service:													
Interest	0	0	0	0	0	0	0	0	0	22,464	0	0	22,464
Capital outlay	0	0	0	78,802	0	0	0	0	0	0	0	0	78,802
Total expenditures	5,198,541	9,353,255	2,322,196	360,424	2,609,235	2,216,259	14,005,057	1,054,212	112,204	2,972,937	2,660,155	630,037	43,494,512
Excess (deficiency) of revenues over expenditures	(5,134,363)	(1,131,595)	433,105	371,012	526,649	(151,307)	1,347,364	122,558	(11,414)	(351,363)	(1,172,608)	2,102,844	(2,900,915)
Other financing sources (uses)													
Transfers in	6,269,450	500,000	0	0	0	0	0	0	0	0	2,453,688	0	12,426,471
Transfers out	(200,000)	0	0	0	0	0	(1,920,000)	(100,000)	0	0	(2,500,000)	0	(4,720,000)
Total other financing sources (uses)	6,069,450	500,000	0	0	0	0	(1,920,000)	(100,000)	0	0	2,453,688	3,203,333	7,706,471
Net change in fund balances	935,087	(631,595)	433,105	371,012	526,649	(151,307)	(572,636)	22,558	(11,414)	(351,363)	1,281,080	(397,156)	4,805,556
Fund balances, July 1, 2019	0	10,390,854	2,335,846	5,772,001	1,493,514	2,480,358	5,539,524	864,515	1,145,606	5,075,987	2,510,380	1,542,415	3,271,730
Fund balances, June 30, 2020	935,087	9,759,259	2,768,951	6,143,013	2,020,163	2,329,051	4,966,888	887,073	1,134,192	4,724,624	3,791,460	6,623,266	47,228,286

Community Safety Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Intergovernmental	0	25,945	0	25,945
Miscellaneous	0	32,599	5,634	38,233
Total revenues	0	58,544	5,634	64,178
<u>Expenditures</u>				
Current - departmental:				
Central services	4,294,630	2,302,312	0	2,302,312
Library, recreation, and cultural services	110,628	90,980	0	90,980
Police	4,664,192	2,805,249	0	2,805,249
Total expenditures	9,069,450	5,198,541	0	5,198,541
Excess (deficiency) of revenues over expenditures	(9,069,450)	(5,139,997)	5,634	(5,134,363)
<u>Other financing sources (uses)</u>				
Interfund loans proceeds	3,000,000	0	0	0
Transfers in	6,269,450	6,269,450	0	6,269,450
Transfers out	(200,000)	(200,000)	0	(200,000)
Total other financing sources (uses)	9,069,450	6,069,450	0	6,069,450
Net change in fund balance	0	929,453	5,634	935,087
Fund balance, July 1, 2019	0	0	0	0
Fund balance, June 30, 2020	0	929,453	5,634	935,087

Construction and Rental Housing Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Licenses and permits	4,565,685	3,994,404	0	3,994,404
Intergovernmental	0	114,734	0	114,734
Charges for services	5,989,050	4,516,100	(700,416)	3,815,684
Fines and forfeits	25,000	39,003	0	39,003
Miscellaneous	192,000	231,990	25,845	257,835
Total revenues	10,771,735	8,896,231	(674,571)	8,221,660
<u>Expenditures</u>				
Current - departmental:				
Central services	0	0	1,024,000	1,024,000
Fire and emergency medical services	357,432	356,028	0	356,028
Planning and development	9,758,952	7,440,108	0	7,440,108
Public works	542,129	533,119	0	533,119
Special payments	1,020,000	700,416	(700,416)	0
Total expenditures	11,678,513	9,029,671	323,584	9,353,255
Excess (deficiency) of revenues over expenditures	(906,778)	(133,440)	(998,155)	(1,131,595)
<u>Other financing sources (uses)</u>				
Transfers in	500,000	500,000	0	500,000
Transfers out	(1,024,000)	(1,024,000)	1,024,000	0
Total other financing sources (uses)	(524,000)	(524,000)	1,024,000	500,000
Net change in fund balance	(1,430,778)	(657,440)	25,845	(631,595)
Fund balance, July 1, 2019	10,366,050	10,366,050	24,804	10,390,854
Fund balance, June 30, 2020	8,935,272	9,708,610	50,649	9,759,259

Library Local Option Levy Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Taxes	2,589,000	2,612,007	0	2,612,007
Intergovernmental	0	74,471	0	74,471
Miscellaneous	60,000	60,204	8,619	68,823
Total revenues	2,649,000	2,746,682	8,619	2,755,301
<u>Expenditures</u>				
Current - departmental:				
Library, recreation, and cultural services	2,467,510	2,272,196	50,000	2,322,196
Total expenditures	2,467,510	2,272,196	50,000	2,322,196
Excess (deficiency) of revenues over expenditures	181,490	474,486	(41,381)	433,105
Total other financing sources (uses)	0	0	0	0
Net change in fund balance	181,490	474,486	(41,381)	433,105
Fund balance, July 1, 2019	2,280,326	2,280,326	55,520	2,335,846
Fund balance, June 30, 2020	2,461,816	2,754,812	14,139	2,768,951

Library, Parks, and Recreation Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Intergovernmental	0	15	0	15
Rental income	34,920	39,810	0	39,810
Charges for services	25,000	26,549	0	26,549
Repayment of revolving loans	0	0	81,047	81,047
Miscellaneous	590,620	566,693	17,322	584,015
Total revenues	650,540	633,067	98,369	731,436
<u>Expenditures</u>				
Current - departmental:				
Library, recreation, and cultural services	385,500	201,622	0	201,622
Planning and development	0	0	80,000	80,000
Capital outlay	859,138	78,802	0	78,802
Special payments	106,390	80,000	(80,000)	0
Total expenditures	1,351,028	360,424	0	360,424
Excess (deficiency) of revenues over expenditures	(700,488)	272,643	98,369	371,012
<u>Other financing sources (uses)</u>				
Principal payments received	5,700	81,047	(81,047)	0
Total other financing sources (uses)	5,700	81,047	(81,047)	0
Net change in fund balance	(694,788)	353,690	17,322	371,012
Fund balance, July 1, 2019	5,758,416	5,758,416	13,585	5,772,001
Fund balance, June 30, 2020	5,063,628	6,112,106	30,907	6,143,013

Parks and Recreation Local Option Levy*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Taxes	3,023,000	3,026,051	0	3,026,051
Intergovernmental	0	61,956	0	61,956
Miscellaneous	7,000	41,107	6,770	47,877
Total revenues	3,030,000	3,129,114	6,770	3,135,884
<u>Expenditures</u>				
Current - departmental:				
Central services	100,000	40,100	0	40,100
Library, recreation, and cultural services	50,000	0	0	0
Police	431,626	384,019	0	384,019
Public works	2,866,383	2,185,116	0	2,185,116
Total expenditures	3,448,009	2,609,235	0	2,609,235
Excess (deficiency) of revenues over expenditures	(418,009)	519,879	6,770	526,649
Total other financing sources (uses)	0	0	0	0
Net change in fund balance	(418,009)	519,879	6,770	526,649
Fund balance, July 1, 2019	1,489,669	1,489,669	3,845	1,493,514
Fund balance, June 30, 2020	1,071,660	2,009,548	10,615	2,020,163

Public Safety Communications Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Intergovernmental	1,650,000	1,863,804	0	1,863,804
Charges for services	121,611	151,714	0	151,714
Miscellaneous	55,000	45,254	4,180	49,434
Total revenues	1,826,611	2,060,772	4,180	2,064,952
<u>Expenditures</u>				
Current - departmental:				
Central services	0	0	225,000	225,000
Police	2,426,670	1,991,259	0	1,991,259
Total expenditures	2,426,670	1,991,259	225,000	2,216,259
Excess (deficiency) of revenues over expenditures	(600,059)	69,513	(220,820)	(151,307)
<u>Other financing sources (uses)</u>				
Transfers out	(225,000)	(225,000)	225,000	0
Total other financing sources (uses)	(225,000)	(225,000)	225,000	0
Net change in fund balance	(825,059)	(155,487)	4,180	(151,307)
Fund balance, July 1, 2019	2,475,366	2,475,366	4,992	2,480,358
Fund balance, June 30, 2020	1,650,307	2,319,879	9,172	2,329,051

Road Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Licenses and permits	2,179,000	2,254,839	0	2,254,839
Intergovernmental	13,852,316	12,234,959	0	12,234,959
Rental income	100,000	269,408	0	269,408
Charges for services	382,500	218,650	0	218,650
Miscellaneous	243,790	367,804	6,761	374,565
Total revenues	16,757,606	15,345,660	6,761	15,352,421
<u>Expenditures</u>				
Current - departmental:				
Central services	0	0	1,027,000	1,027,000
Public works	15,914,450	13,004,798	(26,741)	12,978,057
Total expenditures	15,914,450	13,004,798	1,000,259	14,005,057
Excess (deficiency) of revenues over expenditures	843,156	2,340,862	(993,498)	1,347,364
<u>Other financing sources (uses)</u>				
Transfers out	(2,947,000)	(2,947,000)	1,027,000	(1,920,000)
Total other financing sources (uses)	(2,947,000)	(2,947,000)	1,027,000	(1,920,000)
Net change in fund balance	(2,103,844)	(606,138)	33,502	(572,636)
Fund balance, July 1, 2019	4,480,616	4,480,616	1,058,908	5,539,524
Fund balance, June 30, 2020	2,376,772	3,874,478	1,092,410	4,966,888

Solid Waste and Recycling Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Licenses and permits	1,041,420	1,123,030	0	1,123,030
Intergovernmental	0	19,695	0	19,695
Charges for services	0	792	0	792
Fines and forfeits	0	100	0	100
Miscellaneous	32,000	30,655	2,498	33,153
Total revenues	1,073,420	1,174,272	2,498	1,176,770
<u>Expenditures</u>				
Current - departmental:				
Central services	0	0	121,000	121,000
Planning and development	1,209,413	933,212	0	933,212
Total expenditures	1,209,413	933,212	121,000	1,054,212
Excess (deficiency) of revenues over expenditures	(135,993)	241,060	(118,502)	122,558
<u>Other financing sources (uses)</u>				
Transfers out	(221,000)	(221,000)	121,000	(100,000)
Total other financing sources (uses)	(221,000)	(221,000)	121,000	(100,000)
Net change in fund balance	(356,993)	20,060	2,498	22,558
Fund balance, July 1, 2019	862,459	862,459	2,056	864,515
Fund balance, June 30, 2020	505,466	882,519	4,554	887,073

Special Assessment Management Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
Revenues				
Charges for services	47,400	48,564	0	48,564
Special assessments	0	0	14,166	14,166
Miscellaneous	32,800	38,053	7	38,060
Total revenues	80,200	86,617	14,173	100,790
Expenditures				
Current - departmental:				
Central services	109,440	102,204	10,000	112,204
Special payments	630,000	600,000	(600,000)	0
Total expenditures	739,440	702,204	(590,000)	112,204
Excess (deficiency) of revenues over expenditures	(659,240)	(615,587)	604,173	(11,414)
Other financing sources (uses)				
Principal payments received	2,700	14,166	(14,166)	0
Transfers in	30,000	0	0	0
Transfers out	(10,000)	(10,000)	10,000	0
Total other financing sources (uses)	22,700	4,166	(4,166)	0
Net change in fund balance	(636,540)	(611,421)	600,007	(11,414)
Fund balance, July 1, 2019	1,142,904	1,142,904	2,702	1,145,606
Fund balance, June 30, 2020	506,364	531,483	602,709	1,134,192

Telecom Registration and Licensing Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Licenses and permits	2,900,000	2,528,619	0	2,528,619
Charges for services	0	7,000	0	7,000
Miscellaneous	162,000	70,700	15,255	85,955
Total revenues	3,062,000	2,606,319	15,255	2,621,574
<u>Expenditures</u>				
Current - departmental:				
Central services	6,685,037	2,947,473	3,000	2,950,473
Debt service	42,000	22,464	0	22,464
Special payments	120,000	120,000	(120,000)	0
Total expenditures	6,847,037	3,089,937	(117,000)	2,972,937
Excess (deficiency) of revenues over expenditures	(3,785,037)	(483,618)	132,255	(351,363)
<u>Other financing sources (uses)</u>				
Transfers out	(3,000)	(3,000)	3,000	0
Total other financing sources (uses)	(3,000)	(3,000)	3,000	0
Net change in fund balance	(3,788,037)	(486,618)	135,255	(351,363)
Fund balance, July 1, 2019	6,127,726	6,127,726	(1,051,739)	5,075,987
Fund balance, June 30, 2020	2,339,689	5,641,108	(916,484)	4,724,624

Urban Renewal Agency General Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Intergovernmental	0	1,144,079	0	1,144,079
Charges for services	0	156,028	0	156,028
Repayment of revolving loans	0	0	81,094	81,094
Miscellaneous	112,000	104,218	2,128	106,346
Total revenues	112,000	1,404,325	83,222	1,487,547
<u>Expenditures</u>				
Current - departmental:				
Planning and development	2,585,083	2,467,415	192,740	2,660,155
Special payments	2,646,536	192,740	(192,740)	0
Total expenditures	5,231,619	2,660,155	0	2,660,155
Excess (deficiency) of revenues over expenditures	(5,119,619)	(1,255,830)	83,222	(1,172,608)
<u>Other financing sources (uses)</u>				
Principal payments received	115,000	81,094	(81,094)	0
Transfers in	2,585,083	2,453,688	0	2,453,688
Total other financing sources (uses)	2,700,083	2,534,782	(81,094)	2,453,688
Net change in fund balance	(2,419,536)	1,278,952	2,128	1,281,080
Fund balance, July 1, 2019	2,506,536	2,506,536	3,844	2,510,380
Fund balance, June 30, 2020	87,000	3,785,488	5,972	3,791,460

Urban Renewal Agency Riverfront Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Taxes	2,433,000	2,679,975	0	2,679,975
Miscellaneous	33,000	49,404	3,502	52,906
Total revenues	2,466,000	2,729,379	3,502	2,732,881
<u>Expenditures</u>				
Current - departmental:				
Planning and development	804,098	630,037	0	630,037
Total expenditures	804,098	630,037	0	630,037
Excess (deficiency) of revenues over expenditures	1,661,902	2,099,342	3,502	2,102,844
<u>Other financing sources (uses)</u>				
Transfers out	(2,500,000)	(2,500,000)	0	(2,500,000)
Total other financing sources (uses)	(2,500,000)	(2,500,000)	0	(2,500,000)
Net change in fund balance	(838,098)	(400,658)	3,502	(397,156)
Fund balance, July 1, 2019	1,537,764	1,537,764	4,651	1,542,415
Fund balance, June 30, 2020	699,666	1,137,106	8,153	1,145,259

Urban Renewal Agency Riverfront Program Revenue Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Miscellaneous	81,000	122,605	25,598	148,203
Total revenues	81,000	122,605	25,598	148,203
<u>Expenditures</u>				
Special payments	1,010,766	0	0	0
Total expenditures	1,010,766	0	0	0
Excess (deficiency) of revenues over expenditures	(929,766)	122,605	25,598	148,203
<u>Other financing sources (uses)</u>				
Transfers in	3,203,333	3,203,333	0	3,203,333
Total other financing sources (uses)	3,203,333	3,203,333	0	3,203,333
Net change in fund balance	2,273,567	3,325,938	25,598	3,351,536
Fund balance, July 1, 2019	3,264,045	3,264,045	7,685	3,271,730
Fund balance, June 30, 2020	5,537,612	6,589,983	33,283	6,623,266

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Combining Balance Sheet*Nonmajor Debt Service Funds*

June 30, 2020

(amounts in dollars)

	General Obligation	Miscellaneous	Special Assessment Bond	Urban Renewal Agency	Total
<u>Assets</u>					
Equity in pooled cash and investments	163,650	11,416,411	82,235	3,721,069	15,383,365
Receivables:					
Interest	106,656	0	0	16,923	123,579
Taxes	515,208	0	0	90,337	605,545
Assessments	0	0	83,073	0	83,073
Due from other governments	59,256	0	0	10,490	69,746
Assets held for resale	0	0	1,541	0	1,541
Total assets	844,770	11,416,411	166,849	3,838,819	16,266,849
<u>Total liabilities</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Deferred inflows of resources</u>					
Unavailable revenue	621,864	0	84,615	107,260	813,739
Total deferred inflows of resources	621,864	0	84,615	107,260	813,739
<u>Fund balances</u>					
Restricted	222,906	11,416,411	82,234	3,731,559	15,453,110
Total fund balances	222,906	11,416,411	82,234	3,731,559	15,453,110
Total liabilities, deferred inflows of resources, and fund balances	844,770	11,416,411	166,849	3,838,819	16,266,849

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Debt Service Funds

For the fiscal year ended June 30, 2020

(amounts in dollars)

	General Obligation	Miscellaneous	Special Assessment Bond	Urban Renewal Agency	Total
<u>Revenues</u>					
Taxes	13,482,026	0	0	2,477,208	15,959,234
Special assessments	0	0	32,714	0	32,714
Miscellaneous	86,914	74,118	8,592	127,941	297,565
Total revenues	13,568,940	74,118	41,306	2,605,149	16,289,513
<u>Expenditures</u>					
Debt service:					
Principal	12,581,000	0	25,697	0	12,606,697
Interest	1,212,517	0	10,790	0	1,223,307
Special payments	0	657,707	0	0	657,707
Total expenditures	13,793,517	657,707	36,487	0	14,487,711
Excess (deficiency) of revenues over expenditures	(224,577)	(583,589)	4,819	2,605,149	1,801,802
<u>Other financing sources (uses)</u>					
Issuance of debt	0	12,000,000	0	0	12,000,000
Transfers out	0	0	0	(2,453,688)	(2,453,688)
Total other financing sources (uses)	0	12,000,000	0	(2,453,688)	9,546,312
Net change in fund balances	(224,577)	11,416,411	4,819	151,461	11,348,114
Fund balances, July 1, 2019	447,483	0	77,415	3,580,098	4,104,996
Fund balances, June 30, 2020	222,906	11,416,411	82,234	3,731,559	15,453,110

General Obligation Debt Service Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Taxes	13,206,650	13,482,026	0	13,482,026
Miscellaneous	141,000	86,960	(46)	86,914
Total revenues	13,347,650	13,568,986	(46)	13,568,940
<u>Expenditures</u>				
Debt service	13,794,265	13,793,517	0	13,793,517
Total expenditures	13,794,265	13,793,517	0	13,793,517
Excess (deficiency) of revenues over expenditures	(446,615)	(224,531)	(46)	(224,577)
Total other financing sources (uses)	0	0	0	0
Net change in fund balance	(446,615)	(224,531)	(46)	(224,577)
Fund balance, July 1, 2019	446,615	446,615	868	447,483
Fund balance, June 30, 2020	0	222,084	822	222,906

Miscellaneous Debt Service Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Miscellaneous	0	16,748	57,370	74,118
Total revenues	0	16,748	57,370	74,118
<u>Expenditures</u>				
Special payments	12,000,000	657,707	0	657,707
Total expenditures	12,000,000	657,707	0	657,707
Excess (deficiency) of revenues over expenditures	(12,000,000)	(640,959)	57,370	(583,589)
<u>Other financing sources (uses)</u>				
Issuance of debt	12,000,000	12,000,000	0	12,000,000
Total other financing sources (uses)	12,000,000	12,000,000	0	12,000,000
Net change in fund balance	0	11,359,041	57,370	11,416,411
Fund balance, July 1, 2019	0	0	0	0
Fund balance, June 30, 2020	0	11,359,041	57,370	11,416,411

Special Assessment Bond Debt Service Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Special assessments	0	0	32,714	32,714
Miscellaneous	28,000	8,361	231	8,592
Total revenues	28,000	8,361	32,945	41,306
<u>Expenditures</u>				
Debt service	180,000	36,487	0	36,487
Total expenditures	180,000	36,487	0	36,487
Excess (deficiency) of revenues over expenditures	(152,000)	(28,126)	32,945	4,819
<u>Other financing sources (uses)</u>				
Principal payments received	181,000	32,714	(32,714)	0
Transfers out	(10,000)	0	0	0
Total other financing sources (uses)	171,000	32,714	(32,714)	0
Net change in fund balance	19,000	4,588	231	4,819
Fund balance, July 1, 2019	77,233	77,233	182	77,415
Fund balance, June 30, 2020	96,233	81,821	413	82,234

Urban Renewal Agency Debt Service Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Taxes	2,603,000	2,477,208	0	2,477,208
Miscellaneous	103,000	107,586	20,355	127,941
Total revenues	2,706,000	2,584,794	20,355	2,605,149
<u>Total expenditures</u>	0	0	0	0
Excess (deficiency) of revenues over expenditures	2,706,000	2,584,794	20,355	2,605,149
<u>Other financing sources (uses)</u>				
Transfers out	(2,585,083)	(2,453,688)	0	(2,453,688)
Total other financing sources (uses)	(2,585,083)	(2,453,688)	0	(2,453,688)
Net change in fund balance	120,917	131,106	20,355	151,461
Fund balance, July 1, 2019	3,569,423	3,569,423	10,675	3,580,098
Fund balance, June 30, 2020	3,690,340	3,700,529	31,030	3,731,559

Combining Balance Sheet*Nonmajor Capital Projects Funds*

June 30, 2020

(amounts in dollars)

	Special <u>Assessment</u>	<u>Transportation</u>	Urban Renewal <u>Agency</u>	Urban Renewal Agency <u>Riverfront</u>	<u>Total</u>
<u>Assets</u>					
Equity in pooled cash and investments	1,229,566	18,106,797	190,769	4,284,226	23,811,358
Receivables:					
Assessments	43,957	0	0	0	43,957
Due from other governments	0	2,920,742	0	0	2,920,742
Assets held for resale	265	0	0	3,058,799	3,059,064
Advances to other funds	1,400,000	0	0	0	1,400,000
Total assets	2,673,788	21,027,539	190,769	7,343,025	31,235,121
<u>Liabilities</u>					
Accounts payable	0	536,141	0	572,840	1,108,981
Due to other governments	0	1,843	0	20,331	22,174
Deposits	1,168,709	0	0	0	1,168,709
Unearned revenue	0	203,710	0	0	203,710
Advances from other funds	0	0	0	2,000,000	2,000,000
Total liabilities	1,168,709	741,694	0	2,593,171	4,503,574
<u>Deferred inflows of resources</u>					
Unavailable revenue	44,223	0	0	0	44,223
Total deferred inflows of resources	44,223	0	0	0	44,223
<u>Fund balances</u>					
Nonspendable	1,400,000	0	0	0	1,400,000
Restricted	0	20,285,845	190,769	4,749,854	25,226,468
Committed	60,856	0	0	0	60,856
Total fund balances	1,460,856	20,285,845	190,769	4,749,854	26,687,324
Total liabilities, deferred inflows of resources, and fund balances	2,673,788	21,027,539	190,769	7,343,025	31,235,121

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Capital Projects Funds

For the fiscal year ended June 30, 2020

(amounts in dollars)

	Special Assessment	Transportation	Urban Renewal Agency	Urban Renewal Agency Riverfront	Total
<u>Revenues</u>					
Taxes	0	2,879,182	0	0	2,879,182
Intergovernmental	0	4,495,201	0	657,707	5,152,908
Charges for services	0	201,165	0	0	201,165
Miscellaneous	31,648	449,318	4,520	66,520	552,006
Total revenues	31,648	8,024,866	4,520	724,227	8,785,261
<u>Expenditures</u>					
Capital outlay	0	17,999,859	0	5,171,612	23,171,471
Total expenditures	0	17,999,859	0	5,171,612	23,171,471
Excess (deficiency) of revenues over expenditures	31,648	(9,974,993)	4,520	(4,447,385)	(14,386,210)
<u>Other financing sources (uses)</u>					
Issuance of debt	0	7,526,000	0	0	7,526,000
Transfers in	0	1,950,000	0	2,500,000	4,450,000
Transfers out	0	0	0	(3,203,333)	(3,203,333)
Total other financing sources (uses)	0	9,476,000	0	(703,333)	8,772,667
Net change in fund balances	31,648	(498,993)	4,520	(5,150,718)	(5,613,543)
Fund balances, July 1, 2019	1,429,208	20,784,838	186,249	9,900,572	32,300,867
Fund balances, June 30, 2020	1,460,856	20,285,845	190,769	4,749,854	26,687,324

General Capital Projects Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Intergovernmental	103,496	103,496	0	103,496
Miscellaneous	570,000	1,167,936	127,968	1,295,904
Total revenues	673,496	1,271,432	127,968	1,399,400
<u>Expenditures</u>				
Current - departmental:				
Library, recreation, and cultural services	20,000	2,793	0	2,793
Capital outlay	41,626,508	11,106,768	0	11,106,768
Total expenditures	41,646,508	11,109,561	0	11,109,561
Excess (deficiency) of revenues over expenditures	(40,973,012)	(9,838,129)	127,968	(9,710,161)
<u>Other financing sources (uses)</u>				
Issuance of debt	746,623	0	0	0
Transfers in	4,619,300	4,619,300	0	4,619,300
Total other financing sources (uses)	5,365,923	4,619,300	0	4,619,300
Net change in fund balance	(35,607,089)	(5,218,829)	127,968	(5,090,861)
Fund balance, July 1, 2019	55,204,323	55,204,323	130,821	55,335,144
Fund balance, June 30, 2020	19,597,234	49,985,494	258,789	50,244,283

Special Assessment Capital Projects Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Miscellaneous	40,194	31,516	132	31,648
Total revenues	40,194	31,516	132	31,648
<u>Expenditures</u>				
Special payments	1,400,000	1,400,000	(1,400,000)	0
Total expenditures	1,400,000	1,400,000	(1,400,000)	0
Excess (deficiency) of revenues over expenditures	(1,359,806)	(1,368,484)	1,400,132	31,648
<u>Other financing sources (uses)</u>				
Transfers out	(20,000)	0	0	0
Total other financing sources (uses)	(20,000)	0	0	0
Net change in fund balance	(1,379,806)	(1,368,484)	1,400,132	31,648
Fund balance, July 1, 2019	1,423,162	1,423,162	6,046	1,429,208
Fund balance, June 30, 2020	43,356	54,678	1,406,178	1,460,856

Systems Development Capital Projects Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Rental income	60,000	57,511	0	57,511
Charges for services	7,758,841	5,681,710	0	5,681,710
Miscellaneous	884,463	830,819	102,891	933,710
Total revenues	8,703,304	6,570,040	102,891	6,672,931
<u>Expenditures</u>				
Current - departmental:				
Central services	0	0	57,000	57,000
Planning and development	181,493	148,322	0	148,322
Public works	477,409	376,633	0	376,633
Capital outlay	34,384,448	4,720,075	0	4,720,075
Total expenditures	35,043,350	5,245,030	57,000	5,302,030
Excess (deficiency) of revenues over expenditures	(26,340,046)	1,325,010	45,891	1,370,901
<u>Other financing sources (uses)</u>				
Transfers out	(57,000)	(57,000)	57,000	0
Total other financing sources (uses)	(57,000)	(57,000)	57,000	0
Net change in fund balance	(26,397,046)	1,268,010	102,891	1,370,901
Fund balance, July 1, 2019	36,241,176	36,241,176	86,017	36,327,193
Fund balance, June 30, 2020	9,844,130	37,509,186	188,908	37,698,094

Transportation Capital Projects Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Taxes	3,100,000	2,879,182	0	2,879,182
Intergovernmental	24,763,206	4,495,201	0	4,495,201
Rental income	35,000	0	0	0
Charges for services	0	201,165	0	201,165
Miscellaneous	116,000	409,001	40,317	449,318
Total revenues	28,014,206	7,984,549	40,317	8,024,866
<u>Expenditures</u>				
Capital outlay	57,696,829	17,999,859	0	17,999,859
Total expenditures	57,696,829	17,999,859	0	17,999,859
Excess (deficiency) of revenues over expenditures	(29,682,623)	(10,015,310)	40,317	(9,974,993)
<u>Other financing sources (uses)</u>				
Issuance of debt	9,915,000	7,526,000	0	7,526,000
Transfers in	1,950,000	1,950,000	0	1,950,000
Total other financing sources (uses)	11,865,000	9,476,000	0	9,476,000
Net change in fund balance	(17,817,623)	(539,310)	40,317	(498,993)
Fund balance, July 1, 2019	20,734,291	20,734,291	50,547	20,784,838
Fund balance, June 30, 2020	2,916,668	20,194,981	90,864	20,285,845

Urban Renewal Agency Capital Projects Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Miscellaneous	13,000	3,998	522	4,520
Total revenues	13,000	3,998	522	4,520
<u>Expenditures</u>				
Capital outlay	149,285	0	0	0
Total expenditures	149,285	0	0	0
Excess (deficiency) of revenues over expenditures	(136,285)	3,998	522	4,520
<u>Other financing sources</u>				
Transfers in	0	0	0	0
Total other financing sources (uses)	0	0	0	0
Net change in fund balance	(136,285)	3,998	522	4,520
Fund balance, July 1, 2019	185,812	185,812	437	186,249
Fund balance, June 30, 2020	49,527	189,810	959	190,769

Urban Renewal Agency Riverfront Capital Projects Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Intergovernmental	12,085,774	657,707	0	657,707
Miscellaneous	5,144,140	61,603	4,917	66,520
Total revenues	17,229,914	719,310	4,917	724,227
<u>Expenditures</u>				
Capital outlay	25,210,070	5,171,612	0	5,171,612
Total expenditures	25,210,070	5,171,612	0	5,171,612
Excess (deficiency) of revenues over expenditures	(7,980,156)	(4,452,302)	4,917	(4,447,385)
<u>Other financing sources</u>				
Interfund loan proceeds	2,000,000	2,000,000	(2,000,000)	0
Transfers in	2,500,000	2,500,000	0	2,500,000
Transfers out	(3,203,333)	(3,203,333)	0	(3,203,333)
Total other financing sources (uses)	1,296,667	1,296,667	(2,000,000)	(703,333)
Net change in fund balance	(6,683,489)	(3,155,635)	(1,995,083)	(5,150,718)
Fund balance, July 1, 2019	6,825,173	6,825,173	3,075,399	9,900,572
Fund balance, June 30, 2020	141,684	3,669,538	1,080,316	4,749,854

Ambulance Transport Fund*Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Intergovernmental	47,000	317,334	0	317,334
Charges for services	9,748,542	8,912,989	0	8,912,989
Miscellaneous	776,550	489,028	(8,114)	480,914
Total revenues	10,572,092	9,719,351	(8,114)	9,711,237
<u>Expenses</u>				
Current - departmental:				
Central services	0	0	910,000	910,000
Fire and emergency medical services	10,320,454	9,572,075	1,220,149	10,792,224
Debt service	0	0	109,812	109,812
Depreciation	0	0	269,523	269,523
Total expenses	10,320,454	9,572,075	2,509,484	12,081,559
Excess (deficiency) of revenues over expenses	251,638	147,276	(2,517,598)	(2,370,322)
<u>Other financing sources (uses)</u>				
Transfers in	200,000	200,000	0	200,000
Transfers out	(1,321,746)	(1,321,746)	910,000	(411,746)
Total other financing sources (uses)	(1,121,746)	(1,121,746)	910,000	(211,746)
Change in net position	(870,108)	(974,470)	(1,607,598)	(2,582,068)
Total net position, July 1, 2019	870,108	870,108	(6,953,995)	(6,083,887)
Total net position, June 30, 2020	0	(104,362)	(8,561,593)	(8,665,955)

Municipal Airport Fund*Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
Revenues				
Licenses and permits	43,700	27,379	0	27,379
Intergovernmental	18,352,258	18,686,985	(13,683,153)	5,003,832
Rental income	1,006,102	1,155,710	0	1,155,710
Charges for services	14,859,082	11,985,299	(1,777,001)	10,208,298
Fines and forfeits	3,200	6,749	0	6,749
Miscellaneous	193,602	410,252	1,236	411,488
Total revenues	34,457,944	32,272,374	(15,458,918)	16,813,456
Expenses				
Current - departmental:				
Central services	0	0	744,000	744,000
Fire and emergency medical services	1,291,890	1,166,117	199,818	1,365,935
Police	1,117,674	972,935	160,094	1,133,029
Public works	9,709,079	8,894,837	597,292	9,492,129
Debt service	0	0	98,799	98,799
Capital outlay	21,898,428	18,314,080	(18,314,080)	0
Depreciation	0	0	5,959,643	5,959,643
Total expenses	34,017,071	29,347,969	(10,554,434)	18,793,535
Excess (deficiency) of revenues over expenses	440,873	2,924,405	(4,904,484)	(1,980,079)
Other financing sources (uses)				
Capital contributions	0	0	15,479,373	15,479,373
Transfers out	(744,000)	(744,000)	696,334	(47,666)
Total other financing sources (uses)	(744,000)	(744,000)	16,175,707	15,431,707
Change in net position	(303,127)	2,180,405	11,271,223	13,451,628
Total net position, July 1, 2019	14,931,131	14,931,131	81,934,507	96,865,638
Total net position, June 30, 2020	14,628,004	17,111,536	93,205,730	110,317,266

Parking Services Fund*Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
Revenues				
Intergovernmental	0	91,558	0	91,558
Rental income	638,105	555,703	0	555,703
Charges for services	6,242,858	4,839,115	0	4,839,115
Fines and forfeits	1,224,500	618,271	0	618,271
Miscellaneous	70,000	47,169	(9,413)	37,756
Total revenues	8,175,463	6,151,816	(9,413)	6,142,403
Expenses				
Current - departmental:				
Central services	399,105	356,100	375,799	731,899
Planning and development	6,057,226	5,776,634	75,498	5,852,132
Public works	93,033	78,369	2,037	80,406
Capital outlay	1,614,753	1,201,181	(1,201,181)	0
Debt service	26,250	0	24,748	24,748
Depreciation	0	0	676,368	676,368
Special payments	150,000	0	0	0
Total expenses	8,340,367	7,412,284	(46,731)	7,365,553
Excess (deficiency) of revenues over expenses	(164,904)	(1,260,468)	37,318	(1,223,150)
Other financing sources (uses)				
Transfers out	(1,185,350)	(1,185,350)	347,000	(838,350)
Total other financing sources (uses)	(1,185,350)	(1,185,350)	347,000	(838,350)
Change in net position	(1,350,254)	(2,445,818)	384,318	(2,061,500)
Total net position, July 1, 2019	1,350,254	1,350,254	12,023,701	13,373,955
Total net position, June 30, 2020	0	(1,095,564)	12,408,019	11,312,455

Stormwater Utility Fund*Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Licenses and permits	172,000	206,642	0	206,642
Intergovernmental	718,527	419,988	(23,099)	396,889
Rental income	0	22,732	0	22,732
Charges for services	20,303,112	19,952,874	(150)	19,952,724
Miscellaneous	292,000	315,664	35,151	350,815
Total revenues	21,485,639	20,917,900	11,902	20,929,802
<u>Expenses</u>				
Current - departmental:				
Central services	0	0	1,202,000	1,202,000
Public works	17,601,397	16,170,522	1,703,093	17,873,615
Capital outlay	9,016,072	2,840,663	(2,840,663)	0
Debt service	0	0	143,137	143,137
Depreciation	0	0	2,407,881	2,407,881
Special payments	15,000	150	(150)	0
Total expenses	26,632,469	19,011,335	2,615,298	21,626,633
Excess (deficiency) of revenues over expenses	(5,146,830)	1,906,565	(2,603,396)	(696,831)
<u>Other financing sources (uses)</u>				
Capital contributions	0	0	1,747,939	1,747,939
Transfers out	(1,202,000)	(1,202,000)	1,202,000	0
Total other financing sources (uses)	(1,202,000)	(1,202,000)	2,949,939	1,747,939
Change in net position	(6,348,830)	704,565	346,543	1,051,108
Total net position, July 1, 2019	14,129,895	14,129,895	58,449,570	72,579,465
Total net position, June 30, 2020	7,781,065	14,834,460	58,796,113	73,630,573

Wastewater Utility Fund*Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Licenses and permits	16,000	32,229	0	32,229
Intergovernmental	0	134,858	(15,243)	119,615
Rental income	6,132	5,621	0	5,621
Charges for services	59,401,032	52,823,732	(27,179,089)	25,644,643
Fines and forfeits	5,000	2,400	0	2,400
Miscellaneous	154,500	181,501	11,889	193,390
Total revenues	59,582,664	53,180,341	(27,182,443)	25,997,898
<u>Expenses</u>				
Current - departmental:				
Central services	0	0	1,820,000	1,820,000
Public works	25,897,491	22,140,803	1,925,531	24,066,334
Capital outlay	5,979,904	1,892,652	(1,892,652)	0
Debt service	0	0	197,041	197,041
Depreciation	0	0	4,248,282	4,248,282
Special payments	29,103,000	27,179,089	(27,179,089)	0
Total expenses	60,980,395	51,212,544	(20,880,887)	30,331,657
Excess (deficiency) of revenues over expenses	(1,397,731)	1,967,797	(6,301,556)	(4,333,759)
<u>Other financing sources (uses)</u>				
Capital contributions	0	0	1,392,797	1,392,797
Transfers out	(1,820,000)	(1,820,000)	1,820,000	0
Total other financing sources (uses)	(1,820,000)	(1,820,000)	3,212,797	1,392,797
Change in net position	(3,217,731)	147,797	(3,088,759)	(2,940,962)
Total net position, July 1, 2019	5,625,154	5,625,154	69,634,837	75,259,991
Total net position, June 30, 2020	2,407,423	5,772,951	66,546,078	72,319,029

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Combining Statement of Net Position

All Internal Service Funds

June 30, 2020

(amounts in dollars)

	Facilities Services	Fleet Services	Information Systems and Services	Professional Services	Risk and Benefits	Total
Assets						
Current assets						
Equity in pooled cash and investments	3,556,131	24,321,176	7,103,068	1,519,270	45,914,867	82,414,512
Receivables:						
Accounts	1,579	11,939	0	29,643	129,464	172,625
Allowance for uncollectibles	0	(6,143)	0	(593)	(2,744)	(9,480)
Due from other governments	65,859	41,348	174,181	22,463	202,615	506,466
Interfund loans receivable	150,000	120,000	0	0	0	270,000
Prepays and deposits	0	0	70,695	0	143,868	214,563
Total current assets	3,773,569	24,488,320	7,347,944	1,570,783	46,388,070	83,568,686
Noncurrent assets						
Advances to other funds	600,000	840,000	0	0	0	1,440,000
Capital assets:						
Land	0	455,834	0	0	0	455,834
Improvements other than buildings	0	51,913	0	0	0	51,913
Buildings and equipment	5,945,457	60,398,790	1,041,272	288,459	109,557	67,783,535
Intangibles	0	0	9,302,708	0	0	9,302,708
Accumulated depreciation	(2,307,355)	(39,812,700)	(4,660,355)	(236,570)	(49,550)	(47,066,530)
Total noncurrent assets	4,238,102	21,933,837	5,683,625	51,889	60,007	31,967,460
Deferred outflows of resources						
Related to pensions	1,587,442	968,401	752,060	1,980,016	755,942	6,043,861
Related to OPEB	89,760	49,772	49,064	73,123	26,211	287,930
Total deferred outflows of resources	1,677,202	1,018,173	801,124	2,053,139	782,153	6,331,791
Total assets and deferred outflows of resources	9,688,873	47,440,330	13,832,693	3,675,811	47,230,230	121,867,937
Liabilities						
Current liabilities						
Accounts payable	47,810	201,365	9,176	2,766	90,341	351,458
Wages payable	293,541	178,020	145,972	359,314	162,771	1,139,618
Compensated absences payable	306,567	173,216	144,176	299,460	129,619	1,053,038
Due to other governments	138,065	0	19,700	0	99	157,864
Claims payable	0	0	0	0	14,574,922	14,574,922
Deposits	3,430	0	0	0	153,160	156,590
Interest payable	6,605	3,905	3,130	7,055	27,385	48,080
Unearned revenue	12	0	0	0	0	12
Bonds payable	108,794	64,178	51,817	115,874	516,281	856,944
Total current liabilities	904,824	620,684	373,971	784,469	15,654,578	18,338,526
Noncurrent liabilities						
Compensated absences payable	1,552	44,558	19,033	90,214	56,126	211,483
Bonds payable (net of unamortized discount/premium)	983,562	580,207	468,458	1,047,577	4,667,493	7,747,297
Net pension liability	5,231,466	3,227,431	2,707,691	6,193,307	2,308,865	19,668,760
Net OPEB liability	530,125	290,020	293,820	420,694	4,294,692	5,829,351
Total noncurrent liabilities	6,746,705	4,142,216	3,489,002	7,751,792	11,327,176	33,456,891
Deferred inflows of resources						
Related to pensions	304,802	175,615	176,902	326,059	124,721	1,108,099
Related to OPEB	13,828	8,041	7,901	14,067	5,106	48,943
Total deferred inflows of resources	318,630	183,656	184,803	340,126	129,827	1,157,042
Total liabilities and deferred inflows of resources	7,970,159	4,946,556	4,047,776	8,876,387	27,111,581	52,952,459
Net position						
Net investment in capital assets	3,638,102	21,093,837	5,683,625	51,889	60,007	30,527,460
Unrestricted	(1,919,388)	21,399,937	4,101,292	(5,252,465)	20,058,642	38,388,018
Total net position	1,718,714	42,493,774	9,784,917	(5,200,576)	20,118,649	68,915,478

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Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

All Internal Service Funds

For the fiscal year ended June 30, 2020

(amounts in dollars)

	Facilities <u>Services</u>	Fleet <u>Services</u>	Information Systems and <u>Services</u>	Professional <u>Services</u>	Risk and <u>Benefits</u>	<u>Total</u>
<u>Operating revenues</u>						
Rental income	640,693	0	0	0	0	640,693
Charges for services	10,385,159	10,418,120	8,112,486	8,006,645	40,537,028	77,459,438
Miscellaneous	228	289,914	3,840	35	82,535	376,552
Total operating revenues	11,026,080	10,708,034	8,116,326	8,006,680	40,619,563	78,476,683
<u>Operating expenses</u>						
Personnel services	4,971,487	2,960,697	2,639,860	5,667,357	4,875,495	21,114,896
Contractual services	816,182	1,271,673	727,187	44,721	2,679,432	5,539,195
Materials and supplies	729,689	1,754,847	2,435,958	194,600	409,891	5,524,985
Maintenance	967,067	728,219	497,344	276,082	277,074	2,745,786
Utilities	2,169,640	5,992	233,680	37,576	9,136	2,456,024
Rent	70,125	1,043	70,245	171,874	139,789	453,076
Taxes	747	0	0	0	0	747
Insurance	46,791	406,071	19,029	28,542	2,801,179	3,301,612
Claims	0	0	0	0	28,187,588	28,187,588
Central business functions	654,000	460,000	279,000	753,000	281,000	2,427,000
Depreciation	147,442	3,554,262	1,971,364	19,826	18,088	5,710,982
Pension expense	1,325,408	843,574	726,597	1,562,939	582,782	5,041,300
Total operating expenses	11,898,578	11,986,378	9,600,264	8,756,517	40,261,454	82,503,191
Operating income (loss)	(872,498)	(1,278,344)	(1,483,938)	(749,837)	358,109	(4,026,508)
<u>Nonoperating revenues (expenses)</u>						
Interest revenue	84,071	585,913	157,502	29,782	1,046,560	1,903,828
Interest expense	(76,905)	(48,061)	(27,420)	(86,736)	(689,503)	(928,625)
Gain (loss) on sale of assets	0	46,615	0	0	0	46,615
Intergovernmental	178,744	226,228	31,950	38,284	550,130	1,025,336
Total nonoperating revenues (expenses)	185,910	810,695	162,032	(18,670)	907,187	2,047,154
Income (loss) before capital contributions and transfers	(686,588)	(467,649)	(1,321,906)	(768,507)	1,265,296	(1,979,354)
Capital contributions	0	377,718	0	0	0	377,718
Transfers in	39,000	1,782,976	0	0	66,597	1,888,573
Transfers out	0	0	(5,908)	0	(6,553)	(12,461)
Change in net position	(647,588)	1,693,045	(1,327,814)	(768,507)	1,325,340	274,476
Total net position, July 1, 2019	2,366,302	40,800,729	11,112,731	(4,432,069)	15,912,822	65,760,515
Prior period adjustment (Note 5J)	0	0	0	0	2,880,487	2,880,487
Total net position, July 1, 2019, as restated	2,366,302	40,800,729	11,112,731	(4,432,069)	18,793,309	68,641,002
Total net position, June 30, 2020	1,718,714	42,493,774	9,784,917	(5,200,576)	20,118,649	68,915,478

Combining Statement of Cash Flows*All Internal Service Funds*

For the fiscal year ended June 30, 2020

(amounts in dollars)

	<u>Facilities Services</u>	<u>Fleet Services</u>	<u>Information Systems and Services</u>	<u>Professional Services</u>	<u>Risk and Benefits</u>	<u>Total</u>
<u>Cash flows from operating activities</u>						
Cash received from customers	576,984	345,771	7,003,733	197,168	3,539,278	11,662,934
Cash received from interfund services provided	10,384,094	10,418,829	1,102,938	7,858,746	37,256,127	67,020,734
Cash paid to suppliers for goods and services	(4,405,598)	(3,284,789)	(3,469,072)	(494,099)	(34,398,982)	(46,052,540)
Cash paid to employees for services	(4,266,191)	(2,671,427)	(2,476,959)	(5,193,983)	(1,862,471)	(16,471,031)
Cash paid for interfund services used	(1,571,189)	(1,548,243)	(867,387)	(1,304,074)	(554,971)	(5,845,864)
Cash paid for central business functions	(654,000)	(460,000)	(279,000)	(753,000)	(281,000)	(2,427,000)
Net cash provided by (used for) operating activities	64,100	2,800,141	1,014,253	310,758	3,697,981	7,887,233
<u>Cash flows from noncapital financing activities</u>						
Transfers in	39,000	1,735,310	0	0	66,597	1,840,907
Principal payments on pension bonds	(91,987)	(56,698)	(34,301)	(102,374)	(605,537)	(890,897)
Interest payments on pension bonds	(79,180)	(46,688)	(37,689)	(84,300)	(198,722)	(446,579)
Subsidy from grant	178,744	226,228	31,950	38,284	550,130	1,025,336
Net cash provided by (used for) noncapital financing activities	46,577	1,858,152	(40,040)	(148,390)	(187,532)	1,528,767
<u>Cash flows from capital and related financing activities</u>						
Advances to other funds	0	120,000	0	0	0	120,000
Proceeds from sale of capital assets	0	159,105	0	0	0	159,105
Acquisition and construction of capital assets	(463,433)	(3,635,125)	0	(6,273)	0	(4,104,831)
Net cash provided by (used for) capital and related financing activities	(463,433)	(3,356,020)	0	(6,273)	0	(3,825,726)
<u>Cash flows from investing activities</u>						
Interest revenue	84,071	585,913	157,502	29,782	1,046,560	1,903,828
Net cash provided by (used for) investing activities	84,071	585,913	157,502	29,782	1,046,560	1,903,828
Net increase (decrease) in cash	(268,685)	1,888,186	1,131,715	185,877	4,557,009	7,494,102
Cash, July 1, 2019	3,824,816	22,432,990	5,971,353	1,333,393	41,357,858	74,920,410
Cash, June 30, 2020	3,556,131	24,321,176	7,103,068	1,519,270	45,914,867	82,414,512

continued

	<u>Facilities Services</u>	<u>Fleet Services</u>	<u>Information Systems and Services</u>	<u>Professional Services</u>	<u>Risk and Benefits</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities						
Operating income (loss)	(872,498)	(1,278,344)	(1,483,938)	(749,837)	358,109	(4,026,508)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities						
OPEB prior period adjustment	0	0	0	0		2,880,487
Depreciation	147,442	3,554,262	1,971,364	19,826	18,088	5,710,982
(Increase) Decrease in accounts receivable	(1,579)	2,226	0	8,937	172,651	182,235
Increase (Decrease) in allowance for uncollectibles	0	709	0	(175)	0	534
(Increase) Decrease in due from other governments	(64,486)	53,631	(9,655)	40,472	(49,944)	(29,982)
(Increase) Decrease in prepaids and deposits	0	0	200,726	0	(143,868)	56,858
(Increase) Decrease in deferred outflows related to pensions	7,213	4,591	3,954	8,506	3,172	27,436
(Increase) Decrease in deferred outflows related to OPEB	(5,842)	(1,927)	(1,325)	(2,415)	(344)	(11,853)
Increase (Decrease) in deferred inflows related to pensions	(9,038)	(5,752)	(4,954)	(10,657)	(3,974)	(34,375)
Increase (Decrease) in deferred inflows related to OPEB	3,016	1,803	1,531	3,265	1,181	10,796
Increase (Decrease) in net pension liability	753,631	479,658	413,145	888,691	331,371	2,866,496
Increase (Decrease) in accounts payable	2,335	(18,604)	(79,658)	(12,304)	40,042	(68,189)
Increase (Decrease) in wages payable	36,184	8,787	(26,609)	34,072	6,908	59,342
Increase (Decrease) in compensated absences payable	82,400	28,532	1,025	65,914	25,822	203,693
Increase (Decrease) in net OPEB liability	28,445	12,857	10,089	20,434	5,989	77,814
Increase (Decrease) in claims payable	0	0	0	0	(943)	(943)
Increase (Decrease) in deposits	1,050	0	0	0	53,135	54,185
Increase (Decrease) in due to other governments	(44,185)	(42,288)	18,558	(3,971)	99	(71,787)
Increase (Decrease) in unearned revenue	12	0	0	0	0	12
Net cash provided by (used for) operating activities	64,100	2,800,141	1,014,253	310,758	3,697,981	7,887,233

Facilities Services Fund*Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Intergovernmental	0	178,744	0	178,744
Rental income	715,478	640,693	0	640,693
Charges for services	10,668,718	10,385,159	0	10,385,159
Miscellaneous	132,250	75,523	8,778	84,301
Total revenues	11,516,446	11,280,119	8,778	11,288,897
<u>Expenses</u>				
Current - departmental:				
Central services	10,427,340	9,958,802	1,296,769	11,255,571
Planning and development	513,797	376,477	10,500	386,977
Debt service	0	0	76,905	76,905
Capital outlay	1,001,175	536,634	(428,044)	108,590
Depreciation	0	0	147,442	147,442
Total expenses	11,942,312	10,871,913	1,103,572	11,975,485
Excess (deficiency) of revenues over expenses	(425,866)	408,206	(1,094,794)	(686,588)
<u>Other financing sources (uses)</u>				
Interfund loan proceeds	150,000	0	0	0
Transfers in	39,000	39,000	0	39,000
Transfers out	(654,000)	(654,000)	654,000	0
Total other financing sources (uses)	(465,000)	(615,000)	654,000	39,000
Change in net position	(890,866)	(206,794)	(440,794)	(647,588)
Total net position, July 1, 2019	3,329,726	3,329,726	(963,424)	2,366,302
Total net position, June 30, 2020	2,438,860	3,122,932	(1,404,218)	1,718,714

Fleet Services Fund*Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Intergovernmental	0	226,228	0	226,228
Rental income	66,750	0	0	0
Charges for services	10,629,181	10,418,120	0	10,418,120
Miscellaneous	838,845	965,592	(89,765)	875,827
Total revenues	11,534,776	11,609,940	(89,765)	11,520,175
<u>Expenses</u>				
Current - departmental:				
Central services	0	0	460,000	460,000
Public works	18,425,264	11,190,864	(3,218,748)	7,972,116
Debt service	0	0	48,061	48,061
Depreciation	0	0	3,554,262	3,554,262
Total expenses	18,425,264	11,190,864	843,575	12,034,439
Excess (deficiency) of revenues over expenses	(6,890,488)	419,076	(933,340)	(514,264)
<u>Other financing sources (uses)</u>				
Capital contributions	0	0	377,718	377,718
Interfund loan proceeds	120,000	120,000	(120,000)	0
Gain on sale of assets	0	0	46,615	46,615
Transfers in	1,735,310	1,735,310	47,666	1,782,976
Transfers out	(460,000)	(460,000)	460,000	0
Total other financing sources (uses)	1,395,310	1,395,310	811,999	2,207,309
Change in net position	(5,495,178)	1,814,386	(121,341)	1,693,045
Total net position, July 1, 2019	22,052,686	22,052,686	18,748,043	40,800,729
Total net position, June 30, 2020	16,557,508	23,867,072	18,626,702	42,493,774

Information Systems and Services Fund*Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Intergovernmental	0	31,950	0	31,950
Charges for services	7,774,013	8,112,486	0	8,112,486
Miscellaneous	171,000	139,738	21,604	161,342
Total revenues	7,945,013	8,284,174	21,604	8,305,778
<u>Expenses</u>				
Current - departmental:				
Central services	9,546,623	6,797,700	831,200	7,628,900
Debt service	0	0	27,420	27,420
Depreciation	0	0	1,971,364	1,971,364
Total expenses	9,546,623	6,797,700	2,829,984	9,627,684
Excess (deficiency) of revenues over expenses	(1,601,610)	1,486,474	(2,808,380)	(1,321,906)
<u>Other financing sources (uses)</u>				
Transfers out	(279,000)	(279,000)	273,092	(5,908)
Total other financing sources (uses)	(279,000)	(279,000)	273,092	(5,908)
Change in net position	(1,880,610)	1,207,474	(2,535,288)	(1,327,814)
Total net position, July 1, 2019	5,859,350	5,859,350	5,253,381	11,112,731
Total net position, June 30, 2020	3,978,740	7,066,824	2,718,093	9,784,917

Professional Services Fund*Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Intergovernmental	0	38,284	0	38,284
Charges for services	8,657,896	8,006,645	0	8,006,645
Miscellaneous	18,000	25,331	4,486	29,817
Total revenues	8,675,896	8,070,260	4,486	8,074,746
<u>Expenses</u>				
Current - departmental:				
Central services	0	0	753,000	753,000
Public works	7,908,131	7,202,900	780,791	7,983,691
Debt service	0	0	86,736	86,736
Depreciation	0	0	19,826	19,826
Total expenses	7,908,131	7,202,900	1,640,353	8,843,253
Excess (deficiency) of revenues over expenses	767,765	867,360	(1,635,867)	(768,507)
<u>Other financing sources (uses)</u>				
Transfers out	(753,000)	(753,000)	753,000	0
Total other financing sources (uses)	(753,000)	(753,000)	753,000	0
Change in net position	14,765	114,360	(882,867)	(768,507)
Total net position, July 1, 2019	1,086,737	1,086,737	(5,518,806)	(4,432,069)
Total net position, June 30, 2020	1,101,502	1,201,097	(6,401,673)	(5,200,576)

Risk and Benefits Fund*Schedule of Revenues, Expenses, and Changes in Fund Net Position - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Intergovernmental	235,000	551,153	(1,023)	550,130
Charges for services	46,018,762	48,131,629	(7,594,601)	40,537,028
Miscellaneous	1,013,160	1,863,097	(734,003)	1,129,094
Total revenues	47,266,922	50,545,879	(8,329,627)	42,216,252
<u>Expenses</u>				
Current - departmental:				
Central services	40,339,784	38,790,723	1,452,642	40,243,365
Debt service	7,339,400	7,339,373	(6,649,870)	689,503
Depreciation	0	0	18,088	18,088
Total expenses	47,679,184	46,130,096	(5,179,140)	40,950,956
Excess (deficiency) of revenues over expenses	(412,262)	4,415,783	(3,150,487)	1,265,296
<u>Other financing sources (uses)</u>				
Transfers in	66,597	66,597	0	66,597
Transfers out	(281,000)	(281,000)	274,447	(6,553)
Total other financing sources (uses)	(214,403)	(214,403)	274,447	60,044
Change in net position	(626,665)	4,201,380	(2,876,040)	1,325,340
Total net position, July 1, 2019	22,948,165	22,948,165	(7,035,343)	15,912,822
Prior period adjustment (Note 5J)	0	2,880,487	0	2,880,487
Total net position, July 1, 2019, as restated	22,948,165	25,828,652	(7,035,343)	18,793,309
Total net position, June 30, 2020	22,321,500	30,030,032	(9,911,383)	20,118,649

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Schedule of Bonded Debt Transactions

For the fiscal year ended June 30, 2020

(amounts in dollars)

	Interest rates	Issue date	Maturity date	Amount issued/ authorized	Outstanding June 30, 2019		Fiscal Year 2019-2020			Outstanding June 30, 2020	
					Matured	Unmatured	Incurred	Matured	Redeemed	Matured	Unmatured
Governmental Activities											
<u>General obligation bonds</u>											
General Obligation Refunding Bonds, Series 2011	2.000% to 3.000%	12/1/11	6/1/22	10,975,000	0	2,085,000	0	680,000	680,000	0	1,405,000
Interest				1,418,138	0	89,325	0	43,475	43,475	0	45,850
Premium				489,606	0	33,662	0	17,849	17,849	0	15,813
General Obligation and Refunding Bonds, Series 2016	2.000% to 5.000%	6/28/16	6/1/26	10,125,000	0	3,805,000	0	715,000	715,000	0	3,090,000
Interest				1,229,363	0	409,700	0	116,400	116,400	0	293,300
Premium				808,196	0	338,028	0	101,800	101,800	0	236,228
General Obligation, Series 2019A (tax-exempt)	3.000% to 5.000%	2/6/19	6/1/38	23,620,000	0	23,620,000	0	0	0	0	23,620,000
Interest				9,377,166	0	9,135,346	0	861,931	861,931	0	8,273,415
Premium				1,348,667	0	1,348,667	0	0	0	0	1,348,667
General Obligation, Series 2019B (taxable)	2.510% to 2.700%	2/6/19	6/1/22	5,030,000	0	4,230,000	0	1,410,000	1,410,000	0	2,820,000
Interest				262,863	0	225,741	0	112,236	112,236	0	113,505
G.O. Bond and Revolving Credit Facility (Street 2017)	2.950%	5/22/19	6/1/24	5,000,000	0	2,250,000	7,526,000	9,776,000	9,776,000	0	0
Subtotal general obligation bonds				69,683,999	0	47,570,469	7,526,000	13,834,691	13,834,691	0	41,261,778
<u>Limited tax bonds</u>											
Limited Tax Pension Bonds, Series 2002	2.000% to 7.410%	3/15/02	6/1/28	69,613,281	0	40,273,392	0	2,492,108	2,492,108	0	37,781,284
Interest				85,352,417	0	15,948,302	0	3,571,255	3,571,255	0	12,377,047
Discount				(13,653,848)	0	(833,181)	0	(833,181)	(833,181)	0	-
Limited Tax Improvement Bonds, Series 2011	7.050%	6/28/11	12/1/26	580,000	0	154,274	0	25,697	25,697	0	128,577
Interest				633,795	0	80,248	0	10,790	10,790	0	69,458
Limited Tax Riverfront Bonds, Series 2020	1.840%	6/16/20	6/1/30	12,000,000	0	0	12,000,000	0	0	0	12,000,000
Interest				1,237,584	0	0	1,237,584	0	0	0	1,237,584
Subtotal limited tax bonds				155,763,229	0	55,623,035	13,237,584	5,266,669	5,266,669	0	63,593,950
Total bonded debt - governmental activities					0	103,193,504	20,763,584	19,101,360	19,101,360	0	104,855,728
<u>Bonded debt - governmental activities</u>											
Principal				113,935,902	0	77,304,842	19,526,000	14,385,273	14,385,273	0	82,445,569
Interest				98,273,742	0	25,888,662	1,237,584	4,716,087	4,716,087	0	22,410,159
Total bonded debt - governmental activities				212,209,644	0	103,193,504	20,763,584	19,101,360	19,101,360	0	104,855,728
continued											

continued

	Issued interest rates	Issue date	Maturity date	Amount issued/ authorized	Outstanding June 30, 2019		Fiscal Year 2019-2020			Outstanding June 30, 2020	
					Matured	Unmatured	Incurred	Matured	Redeemed	Matured	Unmatured
<u>Business-type Activities</u>											
<u>Limited tax bonds</u>											
Limited Tax Pension Bonds, Series 2002	2.000% to 7.410%	3/15/02	6/1/28	14,721,719	0	8,478,033	0	524,317	524,317	0	7,953,716
Interest				18,050,209	0	3,357,310	0	751,694	751,694	0	2,605,616
Discount				(2,887,496)	0	(175,395)	0	(175,395)	(175,395)	0	0
Subtotal limited tax bonds				29,884,432	0	11,659,948	0	1,100,616	1,100,616	0	10,559,332
<u>Total bonded debt - business-type activities</u>											
<u>Bonded debt - business-type activities</u>											
Principal				11,834,223	0	8,302,638	0	348,922	348,922	0	7,953,716
Interest				18,050,209	0	3,357,310	0	751,694	751,694	0	2,605,616
Total bonded debt - business-type activities				29,884,432	0	11,659,948	0	1,100,616	1,100,616	0	10,559,332
<u>Total bonded debt</u>											
Principal				125,770,125	0	85,607,480	19,526,000	14,734,195	14,734,195	0	90,399,285
Interest				116,323,951	0	29,245,972	1,237,584	5,467,781	5,467,781	0	25,015,775
Total bonded debt				242,094,076	0	114,853,452	20,763,584	20,201,976	20,201,976	0	115,415,060

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Net Position by Component

Last ten fiscal years - unaudited
(amounts in dollars)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Governmental activities</u>										
Net investment in capital assets	371,712,593	384,208,529	388,294,288	405,556,459	412,174,294	410,543,209	440,261,060	452,067,031	422,441,689	448,845,542
Restricted for:										
Capital projects	24,756,656	18,408,750	25,451,933	36,297,937	39,587,714	48,145,952	51,263,068	59,912,128	136,657,334	122,055,131
Debt service	2,971,915	2,666,763	2,405,391	1,997,355	2,260,458	1,895,999	2,260,859	1,952,510	1,147,169	12,356,203
Community development	20,259,962	23,219,052	23,435,739	20,167,456	14,882,218	13,418,343	12,738,689	12,470,309	13,560,404	14,574,669
Urban renewal	3,346,926	6,337,101	8,033,194	11,148,771	14,035,835	16,307,150	18,807,872	19,561,689	23,391,069	22,763,610
Other purposes	6,413,577	8,760,189	10,443,928	11,392,942	7,783,467	5,228,628	6,641,211	9,849,088	17,623,105	18,111,763
Unrestricted	92,174,866	91,155,599	85,756,720	82,279,867	43,818,489	25,577,165	19,570,935	(10,499,250)	(23,076,561)	(45,670,126)
Total governmental activities net position	521,636,495	534,755,983	543,821,193	568,840,787	534,542,475	519,116,446	551,543,694	545,313,505	591,744,209	593,036,792
<u>Business-type activities</u>										
Net investment in capital assets	241,534,490	243,029,332	240,442,993	242,024,310	245,767,377	251,116,579	257,080,368	257,404,328	256,571,551	269,991,226
Restricted for:										
Capital projects	11,625,345	12,568,710	14,149,495	13,220,650	11,391,051	7,675,141	4,936,194	8,057,352	9,140,965	8,791,225
Debt service	7,211	0	0	0	0	0	0	0	0	0
Unrestricted	24,982,466	26,709,243	25,999,492	26,792,901	6,889,547	(2,857,325)	(2,122,492)	(4,790,642)	(8,441,915)	(14,952,282)
Total business-type activities net position	278,149,512	282,307,285	280,591,980	282,037,861	264,047,975	255,934,395	259,894,070	260,671,038	257,270,601	263,830,169
<u>Total government</u>										
Net investment in capital assets	613,247,083	627,237,861	628,737,281	647,580,769	657,941,671	661,659,788	697,341,428	709,471,359	679,013,240	718,836,768
Restricted for:										
Capital projects	36,382,001	30,977,460	39,601,428	49,518,587	50,978,765	53,821,093	56,199,262	67,969,480	145,798,299	130,846,356
Debt service	2,979,126	2,666,763	2,405,391	1,997,355	2,260,458	1,895,999	2,260,859	1,952,510	1,147,169	12,356,203
Community development	20,259,962	23,219,052	23,435,739	20,167,456	14,882,218	13,418,343	12,738,689	12,470,309	13,560,404	14,574,669
Urban renewal	3,346,926	6,337,101	8,033,194	11,148,771	14,035,835	16,307,150	18,807,872	19,561,689	23,391,069	22,763,610
Other purposes	6,413,577	8,760,189	10,443,928	11,392,942	7,783,467	5,228,628	6,641,211	9,849,088	17,623,105	18,111,763
Unrestricted	117,157,332	117,864,842	111,756,212	109,072,768	50,708,036	22,719,840	17,448,443	(15,289,892)	(31,518,476)	(60,622,408)
Total government net position	799,786,007	817,063,268	824,413,173	850,878,648	798,590,450	775,050,841	811,437,764	805,984,543	849,014,810	858,866,961

Notes

a) Significant fluctuations between the current year and the prior year are discussed in the Management's Discussion and Analysis.

Data source

City of Eugene Finance Division

Changes in Net Position *Last ten fiscal years - unaudited* *(amounts in dollars)*

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
Central services		9,804,909	11,010,499	10,101,687	10,016,691	10,746,898	10,916,378	9,376,823	9,643,577	10,363,303
Fire and emergency medical services	27,260,063	28,641,938	29,471,662	28,734,323	23,051,781	44,127,222	36,551,518	39,456,301	39,705,861	46,022,924
Library, recreation, and cultural services	29,249,223	28,820,958	27,912,194	27,979,579	26,307,845	37,520,105	36,315,029	40,627,211	40,412,585	42,542,532
Planning and development	32,208,704	19,651,543	16,992,125	19,855,392	14,945,561	21,803,208	20,167,006	20,226,682	21,083,295	30,426,051
Police	47,645,365	52,725,185	54,150,123	53,536,877	44,175,829	76,487,552	64,081,532	65,939,960	70,307,846	83,626,134
Public works	29,775,680	30,285,866	31,360,921	32,665,528	30,287,289	40,292,510	39,894,654	42,394,816	41,541,215	49,904,574
Interest on long term debt	6,280,158	6,650,862	6,227,473	5,627,465	4,463,026	4,480,488	3,860,425	3,456,197	3,853,302	4,121,680
Total governmental activities expenses	182,179,103	176,581,261	177,124,997	178,500,851	153,248,022	235,457,983	211,786,542	221,477,990	226,547,681	267,007,198
Business-type activities:										
Ambulance transport		6,950,263	6,500,180	6,858,038	5,666,141	10,306,470	9,833,739	10,979,356	12,358,312	12,107,499
Municipal airport	11,031,434	11,969,227	12,333,384	12,760,263	11,511,962	15,208,010	16,004,495	16,473,106	17,357,563	18,815,080
Parking services	5,517,107	4,554,259	4,388,694	4,614,694	4,257,580	5,618,061	5,906,861	6,974,438	7,397,757	7,401,606
Stormwater utility	13,084,702	13,301,129	13,930,199	14,487,104	13,458,689	19,264,800	18,120,379	18,531,308	21,005,874	21,787,447
Wastewater utility	21,351,247	22,359,079	23,534,299	22,731,897	21,333,428	30,201,569	27,765,452	28,463,149	29,712,420	30,445,945
Total business-type activities expenses	56,653,694	59,133,957	60,686,756	61,451,996	56,227,800	80,598,910	77,630,926	81,421,357	87,831,926	90,557,577
Total government expenses	238,832,797	235,715,218	237,811,753	239,952,847	209,475,822	316,056,893	289,417,468	302,899,347	314,379,607	357,564,775
Program revenues										
Governmental activities:										
Fees, fines, and charges for services:										
Central services	7,865,208	7,414,102	8,435,743	7,751,439	8,016,986	7,779,910	7,689,562	5,710,151	5,133,057	4,938,818
Fire and emergency medical services	2,243,125	2,323,103	2,427,351	2,626,193	2,728,193	2,609,853	2,719,435	3,663,974	4,254,751	3,240,995
Library, recreation, and cultural services	6,175,973	5,636,053	5,481,909	5,888,579	5,973,060	7,257,449	7,410,541	8,425,311	8,881,595	7,087,804
Planning and development	15,265,547	12,067,636	9,106,904	10,077,395	10,876,148	9,688,738	9,154,855	10,578,467	17,070,361	11,561,918
Police	3,886,160	4,975,304	5,295,508	5,130,469	4,533,377	4,767,887	5,963,929	3,296,257	3,254,951	3,222,524
Public works	7,159,740	7,518,399	7,525,400	10,110,840	11,195,072	7,752,218	9,371,824	10,807,651	14,017,106	10,200,514
Operating grants and contributions	17,235,076	15,253,888	14,212,700	14,615,558	13,914,474	14,585,696	15,461,691	15,724,068	18,838,857	23,763,234
Capital grants and contributions	8,623,632	2,933,678	4,054,905	10,806,249	2,647,314	1,844,022	30,467,560	8,461,914	27,874,233	21,539,134
Total governmental activities program revenues	68,454,461	58,122,163	56,540,420	67,006,722	59,884,624	56,285,773	88,239,397	66,667,793	99,324,911	85,554,941
Business-type activities:										
Fees, fines, and charges for services:										
Ambulance transport		6,858,744	6,503,433	6,662,738	7,798,119	8,263,092	8,407,885	9,785,096	10,096,055	9,393,903
Municipal airport	7,305,057	8,088,953	8,463,832	9,045,654	9,440,676	10,124,799	11,096,847	12,879,704	13,243,998	11,577,215
Parking services	5,058,011	5,333,965	5,155,533	5,479,224	6,644,111	6,663,765	6,883,364	6,738,931	7,306,434	6,050,845
Stormwater utility	12,752,165	14,620,589	14,905,914	15,074,351	16,943,260	16,936,261	17,856,504	19,860,151	19,853,877	20,232,098
Wastewater utility	20,116,031	21,317,603	21,991,866	21,595,516	22,461,798	24,241,891	25,095,039	25,570,363	26,277,355	25,768,269
Operating grants and contributions	295,559	50,920	88,815	370,304	563,211	141,927	914,402	452,897	1,638,307	5,929,228
Capital grants and contributions	5,927,862	7,232,486	3,724,162	6,610,049	6,693,012	7,764,290	12,747,075	11,059,636	6,717,167	18,395,014
Total business-type activities program revenues	59,410,387	63,483,260	60,833,555	64,837,836	70,544,187	74,136,025	83,001,116	86,346,778	85,133,193	97,346,572
Total government program revenues	127,864,848	121,605,423	117,373,975	131,844,558	130,428,811	130,421,798	171,240,513	153,014,571	184,458,104	182,901,513
										continued

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Net (expense) revenue</u>										
Governmental activities	(113,724,642)	(118,459,098)	(120,584,577)	(111,494,129)	(179,172,210)	(179,172,210)	(123,547,145)	(154,810,197)	(127,222,770)	(181,452,257)
Business-type activities	2,755,693	4,349,303	146,799	3,385,840	(6,462,885)	(6,462,885)	5,370,190	4,925,421	(2,698,733)	6,788,995
Total government net (expense) revenue	(110,967,949)	(114,109,795)	(120,437,778)	(108,108,289)	(185,635,095)	(185,635,095)	(118,176,955)	(149,884,776)	(129,921,503)	(174,663,262)
<u>General revenues and transfers</u>										
Governmental activities:										
Property taxes	97,962,592	97,837,712	99,321,973	102,009,251	106,096,214	110,728,701	117,178,340	119,058,842	126,181,426	133,203,518
Transient room tax	1,658,169	1,686,458	1,747,280	1,898,464	2,162,751	2,463,206	2,801,491	3,024,441	2,998,379	2,389,179
Local motor vehicle fuel tax	3,118,882	3,045,192	2,908,491	2,868,768	2,996,958	3,050,845	3,081,192	3,135,901	3,156,006	2,879,182
Local marijuana tax	0	0	0	0	0	0	0	936,078	1,195,311	1,326,362
Contributions in lieu of taxes	13,762,181	13,469,821	11,762,150	12,158,537	12,204,263	12,674,782	13,170,497	13,227,794	12,824,676	12,502,242
Franchise fees on telecom providers revenues	10,954,417	10,393,736	8,467,984	10,757,879	8,482,827	27,751,459	12,423,650	11,286,127	11,424,731	10,670,386
Grants and contributions not restricted to specific programs	3,291,002	3,573,073	3,778,264	3,938,301	4,095,171	4,153,928	4,568,586	5,733,521	5,699,558	7,729,292
Unrestricted investment earnings	1,170,778	1,219,164	543,569	812,369	765,440	1,120,714	1,195,391	3,334,383	8,622,148	8,391,525
Transfers	(3,046,158)	353,430	1,946,076	2,070,154	2,202,900	1,802,546	1,555,246	528,264	1,551,239	872,667
Total governmental activities general revenues and transfers	128,871,863	131,578,586	130,475,787	136,513,723	139,006,524	163,746,181	155,974,393	160,265,351	173,653,474	179,864,353
<u>Business-type activities:</u>										
Unrestricted investment earnings	198,099	161,900	83,972	130,195	119,126	151,851	144,731	253,145	849,535	643,240
Transfers	3,046,158	(353,430)	(1,946,076)	(2,070,154)	(2,202,900)	(1,802,546)	(1,555,246)	(528,264)	(1,551,239)	(872,667)
Total business-type activities general revenues and transfers	3,244,257	(191,530)	(1,862,104)	(1,939,959)	(2,083,774)	(1,650,695)	(1,410,515)	(275,119)	(701,704)	(229,427)
Total government general revenues and transfers	132,116,120	131,387,056	128,613,683	134,573,764	136,922,750	162,095,486	154,563,878	159,990,232	172,951,770	179,634,926
<u>Change in net position:</u>										
Governmental activities	15,147,221	13,119,488	9,891,210	25,019,594	(40,165,686)	(15,426,029)	32,427,248	5,455,154	46,430,704	(1,587,904)
Business-type activities	6,000,950	4,157,773	(1,715,305)	1,445,881	(8,546,659)	(8,113,580)	3,959,675	4,650,302	(3,400,437)	6,559,568
Total government change in net position	21,148,171	17,277,261	8,175,905	26,465,475	(48,712,345)	(23,539,609)	36,386,923	10,105,456	43,030,267	4,971,664

Notes

a) This schedule was modified with the implementation of GASB 63, effective FY13.

b) Significant fluctuations between the current year and the prior year are discussed in the Management's Discussion and Analysis.

Data source

City of Eugene Finance Division

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Fund Balances - Governmental Funds*Last ten fiscal years - unaudited*

(amounts in dollars)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund:										
Nonspendable	1,066,473	1,399,020	762,321	623,852	837,243	953,774	1,200,987	1,512,034	1,730,503	942,750
Restricted	914,813	1,041,185	1,058,040	1,088,331	1,107,064	1,168,970	1,336,519	921,003	1,093,903	740,503
Assigned	38,269,910	37,320,281	34,768,090	34,633,376	38,188,164	36,263,402	52,650,179	51,080,271	30,183,583	32,472,566
Unassigned	5,792,870	3,330,380	2,961,405	6,622,503	901,143	19,803,948	5,184,963	11,420,867	32,021,117	23,998,255
Total General Fund	<u>46,044,066</u>	<u>43,090,866</u>	<u>39,549,856</u>	<u>42,968,062</u>	<u>41,033,614</u>	<u>58,190,094</u>	<u>60,372,648</u>	<u>64,934,175</u>	<u>65,029,106</u>	<u>58,154,074</u>
All other governmental funds:										
Nonspendable	2,636,383	3,836,064	2,915,176	3,049,432	2,935,110	2,242,204	2,278,199	4,392,859	1,196,173	3,172,914
Restricted	31,260,095	35,767,355	42,856,626	48,547,775	53,834,774	60,042,342	70,445,986	75,744,039	102,094,848	113,982,527
Committed	11,257,256	12,413,934	12,315,054	13,842,075	14,293,990	13,337,866	13,398,885	12,699,342	17,647,972	15,661,554
Assigned	11,618,763	5,506,138	3,668,775	15,373,633	16,602,173	15,174,737	16,758,998	18,354,678	52,679,850	47,597,334
Total all other governmental funds	<u>56,772,497</u>	<u>57,523,491</u>	<u>61,755,631</u>	<u>80,812,915</u>	<u>87,666,047</u>	<u>90,797,149</u>	<u>102,882,068</u>	<u>111,190,918</u>	<u>173,618,843</u>	<u>180,414,329</u>

Notes

a) Significant fluctuations between the current year and the prior year are discussed in the Management's Discussion and Analysis.

Data source

City of Eugene Finance Division

Changes in Fund Balances - Governmental Funds*Last ten fiscal years - unaudited*

(amounts in dollars)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Revenues</u>										
Taxes	116,480,716	114,430,239	115,143,898	118,729,451	123,057,049	128,418,191	134,915,564	144,178,020	148,313,967	151,680,375
Licenses and permits	16,247,802	14,621,168	14,070,573	16,645,767	15,451,256	33,340,125	18,201,720	18,831,331	21,686,905	18,567,688
Intergovernmental	23,061,009	19,783,960	19,802,487	18,349,223	18,052,285	18,785,203	21,724,233	25,039,713	34,536,227	35,772,864
Rental income	383,266	432,660	470,709	473,986	510,614	550,688	578,538	911,124	847,849	816,930
Charges for services	18,161,552	23,333,482	20,781,787	26,586,566	23,599,385	24,521,666	26,612,545	25,314,067	31,795,680	22,845,719
Fines and forfeits	2,929,400	2,648,101	2,287,456	2,306,886	2,429,335	2,440,446	2,003,137	2,014,566	1,714,448	1,507,621
Special assessments	1,100,252	269,691	300,439	157,176	120,081	103,170	46,147	24,127	46,756	46,880
Repayment of revolving loans	1,419,907	1,577,023	1,359,759	2,049,212	4,374,927	2,315,269	2,000,135	1,585,999	1,198,811	949,244
Miscellaneous	4,081,989	2,643,789	3,990,028	3,171,788	6,134,603	3,187,847	3,644,019	4,800,921	13,647,506	8,282,312
Total revenues	183,865,893	179,740,113	178,207,136	188,470,055	193,729,535	213,662,605	209,726,038	222,699,868	253,788,149	240,469,633
<u>Expenditures</u>										
Central services	18,188,802	19,693,788	19,091,906	17,493,539	19,626,851	19,368,223	19,384,389	21,287,052	23,478,711	25,764,772
Fire and emergency medical services	23,507,369	24,666,748	25,551,463	25,647,949	26,273,059	28,482,187	29,144,696	32,142,030	31,748,220	33,732,274
Library, recreation, and cultural services	25,598,692	24,987,647	23,870,446	24,075,473	25,969,030	27,244,948	30,130,054	34,172,077	33,853,381	34,846,039
Planning and development	22,134,992	17,899,972	15,544,065	14,150,442	15,749,257	17,746,249	18,087,410	17,353,886	21,352,800	23,834,984
Police	42,544,795	46,724,924	48,112,485	47,648,196	50,855,001	52,467,719	53,444,177	54,230,508	58,036,380	63,482,058
Public works	15,162,759	15,891,864	16,785,203	16,354,843	16,674,300	18,922,196	18,647,613	19,268,674	21,455,231	23,152,520
Debt service:										
Principal	12,167,801	24,579,753	13,888,196	14,925,325	16,439,017	25,135,066	13,830,504	13,709,127	13,958,360	12,810,697
Interest	1,571,175	2,071,130	1,501,826	1,300,697	1,091,065	981,532	786,735	622,644	719,996	1,411,891
Issuance costs	50,696	137,276	11,149	28,728	8,788	117,490	0	0	305,215	0
Capital outlay	23,382,608	28,481,716	21,368,508	23,323,366	25,812,060	21,814,651	21,433,109	26,201,981	29,999,687	39,578,448
Contribution of land held for resale	538,929	0	0	0	0	0	0	0	0	0
Intergovernmental	8,000,000	0	0	500,000	236,151	0	0	0	0	0
Loss on sale of capital asset	0	0	0	0	0	0	0	465,278	0	0
Special payments	0	0	0	0	0	0	321	28,045	19,521	670,685
Total expenditures	192,848,618	205,134,818	185,725,247	185,448,558	198,734,579	212,280,261	204,889,008	219,481,302	234,927,502	259,284,368
Excess (deficiency) of revenues over expenditures	(8,982,725)	(25,394,705)	(7,518,111)	3,021,497	(5,005,044)	1,382,344	4,837,030	3,218,566	18,860,647	(18,814,735)

continued

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Other financing sources (uses)</u>										
Issuance of debt	17,765,000	8,540,000	9,495,000	10,580,000	8,700,000	11,282,978	9,251,000	9,719,000	42,388,967	19,526,000
Proceeds of note issuance	3,412,000	1,777,000	0	0	0	0	0	0	0	0
Proceeds of refunding bonds issuance	0	11,464,606	0	0	0	8,929,918	0	0	0	0
Gain on sale of assets	0	0	0	0	0	0	0	0	3,048,674	0
Transfers in	12,263,751	10,804,034	7,910,800	17,949,829	9,745,093	9,636,468	14,858,904	9,190,305	14,244,848	22,845,867
Transfers out	(17,659,327)	(10,253,301)	(8,536,559)	(9,075,836)	(8,521,365)	(10,944,126)	(14,679,461)	(9,257,494)	(16,000,280)	(23,636,678)
Total other financing sources (uses)	15,781,424	22,332,339	8,869,241	19,453,993	9,923,728	18,905,238	9,430,443	9,651,811	43,662,209	18,735,189
Net change in fund balances	6,798,699	(3,062,366)	1,351,130	22,475,490	4,918,684	23,742,268	14,267,473	12,870,377	62,522,856	(79,546)
Debt service as a percentage of noncapital expenditures	8.16%	15.16%	9.37%	10.03%	10.14%	7.97%	7.97%	7.24%	7.21%	6.29%

Notes

a) Debt service as a percentage of noncapital expenditures is calculated by taking Debt expenditures and dividing them by all expenditures, net of capitalized expenditures identified on Note 2B.

Data Source

City of Eugene Finance Division

Taxable Assessed Value and Actual Value of Property*Last ten fiscal years - unaudited*

(amounts in dollars)

<u>Fiscal year</u>	<u>Real property</u>		<u>Personal property</u>		<u>Total</u>		<u>Direct tax rate</u>
	<u>Taxable assessed value</u>	<u>Real market value</u>	<u>Taxable assessed value</u>	<u>Real market value</u>	<u>Taxable assessed value</u>	<u>Real market value</u>	
2011	11,179,600,899	20,845,219,878	433,560,719	444,689,566	11,613,161,618	21,289,909,444	8.58
2012	11,460,819,092	20,777,602,912	423,318,352	430,903,340	11,884,137,444	21,208,506,252	8.29
2013	11,726,917,294	20,026,046,722	417,128,883	423,958,299	12,144,046,177	20,450,005,021	8.27
2014	12,094,523,637	20,325,443,248	407,291,102	413,828,210	12,501,814,739	20,739,271,458	8.28
2015	12,617,178,328	22,069,558,527	412,660,052	419,387,551	13,029,838,380	22,488,946,078	8.26
2016	13,249,156,562	22,995,929,078	436,321,744	446,812,582	13,685,478,306	23,442,741,660	8.25
2017	13,621,225,931	23,850,191,065	456,896,472	468,331,800	14,078,122,403	24,318,522,865	8.34
2018	14,220,572,743	26,202,887,770	481,382,167	498,140,764	14,701,954,910	26,701,028,534	8.30
2019	14,826,099,777	28,336,823,381	510,166,509	544,121,284	15,336,266,286	28,880,944,665	8.48
2020	15,416,614,160	30,248,577,241	522,134,705	567,360,754	15,938,748,865	30,815,937,995	8.42

Notes

- a) Assessed value is reported net of exemptions and net of Urban Renewal excess (incremental) value, and is the value used to establish the tax levy for the fiscal year.
- b) Real property includes utilities and personal property includes manufactured structures.
- c) Total direct tax rate is per \$1,000 of assessed value.

Data source

Lane County Department of Assessment and Taxation

Direct and Overlapping Property Tax Rates

Last ten fiscal years - unaudited
(rate per \$1,000 of assessed value)

Fiscal year	Tax Rates							
	City direct rates		Overlapping rates					
	Operating	Debt service	Total direct rate	County	School districts	Community college	Total overlapping rate	
2011	7.38	1.20	8.58	1.37	7.66	0.85	9.88	18.46
2012	7.15	1.14	8.29	1.37	7.65	0.87	9.89	18.18
2013	7.15	1.12	8.27	1.37	7.50	0.85	9.72	17.99
2014	7.17	1.11	8.28	1.91	7.95	0.85	10.71	18.99
2015	7.17	1.09	8.26	1.91	7.93	0.85	10.69	18.95
2016	7.17	1.08	8.25	1.81	7.91	0.81	10.53	18.78
2017	7.38	0.96	8.34	1.65	7.95	0.83	10.43	18.77
2018	7.38	0.92	8.30	1.65	7.92	0.83	10.40	18.70
2019	7.58	0.90	8.48	1.78	7.90	0.83	10.51	18.99
2020	7.57	0.85	8.42	1.82	8.52	0.83	11.17	19.59

Notes

a) Tax rates are for a representative tax code area (4-00) within the City.

b) Overlapping rates are those of other local governments that apply to property owners within the City of Eugene who are located within the other local government's boundaries.

Data source

Lane County Department of Assessment and Taxation

Property Tax Levies and Collections*Last seven fiscal years - unaudited*

(amounts in dollars)

<u>Fiscal year</u>	<u>Taxes levied for the fiscal year</u>	<u>Adjustments</u>	<u>Total adjusted levy</u>	Collected within the fiscal year of the levy			Collections/ adjustments in subsequent years	Total collections to date		Outstanding taxes	
				<u>Amount</u>	<u>Percentage of gross levy</u>	<u>Percentage of adjusted levy</u>		<u>Amount</u>	<u>Percentage of adjusted levy</u>	<u>Amount</u>	<u>Percentage of adjusted levy</u>
2014	104,883,335	(2,967,388)	101,915,947	99,010,678	94.4%	97.1%	2,867,579	101,878,257	100.0%	37,690	0.0%
2015	109,269,488	(3,328,182)	105,941,306	103,161,668	94.4%	97.4%	2,732,329	105,893,997	100.0%	47,309	0.0%
2016	114,746,177	(3,558,988)	111,187,189	108,179,994	94.3%	97.3%	2,920,331	111,100,325	99.9%	86,864	0.1%
2017	119,616,037	(3,341,779)	116,274,258	113,353,377	94.8%	97.5%	2,749,912	116,103,289	99.9%	170,969	0.1%
2018	124,122,551	(3,681,816)	120,440,735	118,344,913	95.3%	98.3%	1,543,567	119,888,480	99.5%	552,255	0.5%
2019	132,743,074	(4,165,912)	128,577,162	126,674,281	95.4%	98.5%	840,217	127,514,498	99.2%	1,062,664	0.8%
2020	136,837,981	(3,932,067)	132,905,914	130,494,113	95.4%	98.2%	0	130,494,113	98.2%	2,411,801	1.8%

Notes

a) The Lane County Department of Assessment and Taxation reports seven years of property tax collections.

Data source

Lane County Department of Assessment and Taxation

Ten Principal Property Taxpayers*Current year and nine years ago - unaudited*

(amounts in dollars)

<u>Taxpayer</u>	FY 2020			FY 2011		
	Total taxes paid	Total assessed value	Percentage of total assessed value	Total taxes paid	Total assessed value	Percentage of total assessed value
Valley River Center	2,155,817	118,350,061	0.73%	1,891,441	102,444,362	0.87%
Comcast Corporation	1,508,420	85,492,000	0.52%	1,717,842	104,004,000	0.88%
Verizon Communications	1,457,390	86,013,000	0.53%	908,650	54,499,500	0.46%
Century Link (formerly QWEST Corp.)	1,256,527	71,405,000	0.44%	959,359	58,182,100	0.49%
McKay Investment Company LLC	1,179,743	61,952,290	0.38%	890,671	49,521,935	0.00
Shepard Investment Group LLC	1,054,547	58,212,176	0.36%	-	-	-
Weyerhaeuser NR Company	912,084	54,586,593	0.34%	-	-	-
Chase Village LLC	862,540	44,048,024	0.27%	616,568	33,394,599	0.28%
Northwest Natural Gas Company	818,697	46,896,000	0.29%	778,405	47,122,000	0.40%
ACC OP LLC Garden Avenue	763,574	38,976,221	0.24%	-	-	-
Hynix Semiconductor MFG Amercia Inc.	-	-	-	2,019,294	122,377,695	1.04%
Molecular Probes, Inc.	-	-	-	631,917	37,410,693	0.33%
Peacehealth	-	-	-	623,351	163,026,794	1.38%
Subtotal	11,969,339	665,931,365	4.10%	11,037,498	771,983,678	6.55%
All other taxpayers		15,618,858,113	95.90%		11,015,929,600	93.45%
Total taxpayers		<u>16,284,789,478</u>	<u>100.00%</u>		<u>11,787,913,278</u>	<u>100.00%</u>

Notes

a) Total assessed value does not include exemptions.

Data sourceLane County Department of Assessment and Taxation
City of Eugene Finance Division

City of Eugene, Oregon
Ratio of Outstanding Debt by Type
Last ten fiscal years - unaudited
(amounts in dollars)

<u>Fiscal year</u>	<u>Governmental activities</u>					<u>Business-type activities</u>		<u>Percentage of real market value</u>	<u>Debt per capita</u>
	<u>General obligation bonds</u>	<u>Certificates of participation</u>	<u>Limited tax bonds</u>	<u>Tax increment bonds</u>	<u>Notes and contracts payable</u>	<u>Limited tax bonds</u>	<u>Total government</u>		
2011	32,930,437	1,820,000	64,910,734	7,900,000	6,118,000	0	113,679,171	0.53%	720
2012	29,430,457	1,465,000	64,180,566	7,183,000	7,895,000	0	110,154,023	0.52%	702
2013	26,225,122	1,105,000	63,157,983	6,429,000	7,767,000	0	104,684,105	0.51%	661
2014	23,549,830	735,000	61,886,023	5,135,000	7,639,000	0	98,944,853	0.48%	620
2015	19,210,297	570,000	49,827,523	3,300,000	6,078,000	10,475,301	89,461,121	0.43%	557
2016	16,574,320	390,000	48,267,928	1,222,000	5,868,000	10,137,540	82,459,788	0.35%	505
2017	12,967,158	200,000	46,332,768	298,000	5,677,000	9,711,694	75,186,620	0.31%	453
2018	9,235,009	0	43,992,044	0	5,484,000	9,221,483	67,932,536	0.25%	405
2019	37,710,357	0	41,187,655	0	5,280,000	8,638,019	92,816,031	0.32%	547
2020	32,535,708	0	49,909,861	0	5,076,000	7,953,716	95,475,285	0.31%	558

Notes

- a) Details regarding the City's outstanding debt can be found in the notes to basic financial statements.
b) All debt is shown net of unamortized premiums and discounts.
c) Percentage of real market value was calculated using property value information from Schedule I-5.
d) Debt per capita was calculated using population data from Schedule I-13.
e) As part of the implementation of GASB 68 in FY15, the Limited Tax Pension Bond Debt was proportionately allocated to all Governmental and Business-type activities.

Data source

Ratio of General Bonded Debt Outstanding*Last ten fiscal years - unaudited*

(amounts in dollars)

<u>Fiscal year</u>	<u>General bonded debt outstanding</u>					<u>Percentage of real market value</u>	<u>Per capita</u>
	<u>General obligation bonds</u>	<u>Certificates of participation</u>	<u>Limited tax bonds</u>	<u>Tax increment bonds</u>	<u>Total</u>		
2011	32,930,437	1,820,000	64,910,734	7,900,000	107,561,171	0.49%	663
2012	29,430,457	1,465,000	64,180,566	7,183,000	102,259,023	0.47%	634
2013	26,225,122	1,105,000	63,157,983	6,429,000	96,917,105	0.46%	597
2014	23,549,830	735,000	61,886,023	5,135,000	91,305,853	0.43%	560
2015	19,210,297	570,000	60,302,824	3,300,000	83,383,121	0.36%	505
2016	16,574,320	390,000	58,405,468	1,222,000	76,591,788	0.32%	457
2017	12,967,158	200,000	56,044,462	298,000	69,509,620	0.28%	405
2018	9,235,009	0	53,213,527	0	62,448,536	0.23%	361
2019	37,710,357	0	49,825,674	0	87,536,031	0.30%	509
2020	32,535,708	0	57,863,577	0	90,399,285	0.25%	456

Notes

- a) Details regarding the City's outstanding debt can be found in the notes to the financial statements.
 b) All debt is shown net of unamortized premiums and discounts.
 c) Percentage of real market value was calculated using property value information from Schedule I-5.
 d) Debt per capita was calculated using population data from Schedule I-13.

Data source

City of Eugene Finance Division

Direct and Overlapping Governmental Activities Debt*As of June 30, 2020 - unaudited*

(amounts in dollars)

<u>Governmental unit</u>	<u>Outstanding Gross Property-tax Backed Debt</u>	<u>Percent Overlapping</u>	<u>City's share of net overlapping debt</u>
City of Eugene (direct debt)	95,475,285	100.00%	95,475,285
Total direct debt			<u>95,475,285</u>
Lane Community College	90,335,000	46.66%	21,510,537
Lane County	68,633,282	47.39%	8,806,874
Lane Cty Housing Authority	8,872,537	47.39%	4,204,429
Lane Cty SD 19 (Springfield)	150,049,724	0.00%	600
Lane Cty SD 4J (Eugene)	408,230,687	79.46%	324,392,759
Lane Cty SD 52 (Bethel)	52,555,107	77.86%	37,430,915
Lane Cty SD 69 (Junction City)	24,708,157	4.08%	1,007,772
Lane ESD	6,480,000	47.44%	3,074,118
River Road Park & Recreation District	625,000	0.30%	1,182
Total overlapping debt			<u>400,429,186</u>
Total direct and overlapping debt			<u><u>495,904,471</u></u>

Notes

- a) Gross property tax-backed debt includes general obligation and limited-tax general obligation debt.
b) Percent overlapping is the percent of district property value that overlaps with the City of Eugene.
c) Net property overlapping tax-backed debt excludes debt that is considered self-supporting.

Data source: Oregon State Treasury Debt Management Division

Legal Debt Margin - General Obligation Bonded Debt*Last ten fiscal years - unaudited*

(amounts in dollars)

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Real market value	21,289,909,444	21,208,506,252	20,450,005,021	20,739,271,458	22,488,946,078	23,442,741,660	24,318,522,865	26,701,028,534	28,880,944,665	30,815,937,995
Legal debt margin:										
Debt limit (3% of real market value)	638,697,283	636,255,188	613,500,151	622,178,144	674,668,382	703,282,250	729,555,686	801,030,856	866,428,340	924,478,140
Debt applicable to limit:										
General Obligation Bonds	32,844,164	28,910,000	25,820,000	23,245,000	18,990,300	15,625,000	12,185,000	8,695,000	35,990,000	30,935,000
Less: Amount reserved for repayment of general obligation debt	(961,919)	(552,614)	(395,162)	(76,235)	(354,949)	(290,445)	(574,151)	(817,737)	(447,483)	(222,906)
Total debt applicable to limit	31,882,245	28,357,386	25,424,838	23,168,765	18,635,351	15,334,555	11,610,849	7,877,263	35,542,517	30,712,094
Legal debt margin	606,815,038	607,897,802	588,075,313	599,009,379	656,033,031	687,947,695	717,944,837	793,153,593	830,885,823	893,766,046
Total debt applicable to the limit as a percentage of debt limit	5%	4%	4%	4%	3%	2%	2%	1%	4%	3%

Notes

a) Oregon Revised Statutes 287A.050 provides a debt limit on general obligation bonds of 3% of the real market value of all taxable property within the City's boundaries.

b) The legal debt margin is the difference between the debt limit and the City's net outstanding general obligation debt.

Data source

Lane County Department of Assessment and Taxation

City of Eugene Finance Division

Demographic and Economic Statistics*Last ten fiscal years - unaudited*

<u>Fiscal year</u>	<u>City of Eugene</u>		<u>Lane County</u>		
	<u>Population</u>	<u>Unemployment rate</u>	<u>Population</u>	<u>Personal income (thousands)</u>	<u>Per capita income</u>
2011	157,845	9.60%	348,550	12,214,306	34,561
2012	157,010	9.10%	353,155	12,742,734	35,941
2013	158,335	8.20%	354,200	13,047,961	36,630
2014	159,580	6.70%	356,125	13,392,647	37,374
2015	160,775	6.50%	358,805	14,468,971	39,871
2016	163,400	4.70%	362,150	15,160,278	41,027
2017	165,885	4.30%	365,940	16,275,162	43,430
2018	167,780	4.10%	370,600	17,017,581	45,919
2019	169,695	4.20%	375,120	17,225,135	45,919
2020	171,210	6.10%	378,880	17,397,791	45,919

Notes

- a) Personal income information is not available for the City.
- b) The 2019 and 2020 per capita income was not available and has been estimated to be the same as 2018.
- c) Population is certified as of July 1 of each fiscal year by Portland State University Population Research Center.
- d) Unemployment rates presented are 12-month averages from July to June for each respective fiscal year.

Data source*City of Eugene Information:*

Population: Portland State University's Center for Population Research and Census

Unemployment rate: Bureau of Labor Statistics, U.S. Department of Labor

Lane County Information:

Bureau of Economic Analysis, U.S. Department of Commerce

Lane County Financial Services

Ten Principal Employers*Current year and nine years ago - unaudited*

<u>Employer</u>	<u>FY 2020</u>		<u>FY 2011</u>	
	<u>Employees</u>	<u>Percentage of total employment</u>	<u>Employees</u>	<u>Percentage of total employment</u>
PeaceHealth Medical Group	5,762	3.31%	4,212	2.59%
University of Oregon	5,597	3.21%	4,038	2.49%
Eugene School District 4J	2,248	1.29%	2,794	1.72%
US Government	1,885	1.08%	1,717	1.06%
Lane Community College	1,076	0.62%	1,118	0.69%
Lane County	1,693	0.97%	2,000	1.23%
City of Eugene	1,536	0.88%	1,380	0.85%
State of Oregon	1,745	1.00%	1,967	1.21%
Springfield School District	1,545	0.89%	1,300	0.80%
McKenzie-Willamette Medical Center	1,066	0.61%	-	-
Walmart	-	-	1,050	0.65%
Total	<u>24,153</u>	<u>13.87%</u>	<u>21,576</u>	<u>13.29%</u>

Notes

- a) There is no comprehensive source available to obtain this data. Therefore, prior year information may not be consistent with current data.
- b) Percent of employment is as of January 1st of each year.

Data source

Bureau of Labor Statistics
City of Eugene Finance Division
Eugene Chamber of Commerce

City Government Employees by Function/Program*Last ten fiscal years - unaudited*

<u>Fiscal year</u>	<u>Function/Program</u>						<u>Total</u>
	<u>Central services</u>	<u>Fire and emergency medical services</u>	<u>Library, recreation, and cultural services</u>	<u>Planning and development</u>	<u>Police</u>	<u>Public works</u>	
2011	210	200	180	94	300	396	1,380
2012	212	199	174	93	305	395	1,378
2013	201	197	166	93	299	391	1,347
2014	202	202	167	86	299	407	1,363
2015	204	198	167	92	300	408	1,369
2016	210	198	171	98	306	411	1,394
2017	216	202	186	97	307	409	1,417
2018	235	215	184	102	301	404	1,441
2019	236	226	192	115	331	431	1,531
2020	239	220	180	121	338	438	1,536

Notes

a) Number of employees is provided per Full-Time Equivalent (FTE) for full-time and part-time regular employees that are in an active status as of the last day of the fiscal year.

Data source

City of Eugene Finance Division

Operating Indicators by Function/Program*Last ten fiscal years - unaudited*

Function/Program	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Central services:</u>										
Number of risk claims managed	296	269	259	266	237	227	220	238	252	185
Number of purchase orders issued	15,936	15,544	15,625	15,485	15,910	15,364	16,409	10,730	5,946	4,714
Job applications processed	7,778	8,602	9,372	8,865	8,809	10,032	10,590	13,531	13,496	9,848
Building square footage maintained	1,932,261	1,919,698	2,034,058	2,034,058	1,926,676	1,926,676	1,926,503	1,933,367	1,933,377	1,933,377
Municipal Court cases processed	23,623	22,078	26,076	21,714	19,697	17,569	13,817	14,460	12,282	14,173
<u>Fire and emergency medical services:</u>										
Emergency responses	21,539	21,186	21,111	22,258	25,933	26,655	28,014	27,974	29,388	29,447
Fire inspections	1,576	2,393	2,270	4,816	4,989	3,042	2,435	2,286	2,175	2,297
<u>Library, recreation, and cultural services:</u>										
Number of library patron visits	1,380,951	1,386,601	1,213,547	1,159,425	1,074,504	1,054,313	1,137,194	1,158,737	1,106,089	795,104
Volume of library collection borrowed	2,859,748	2,826,998	2,801,669	2,737,196	2,554,320	2,597,267	2,689,691	2,646,269	2,644,527	2,125,433
Hult Center attendees	187,388	144,102	143,578	136,941	135,728	176,244	156,347	177,547	181,724	125,162
Recreation services	773,162	625,520	622,194	616,129	661,090	641,877	660,286	686,297	685,043	457,162
<u>Planning and development:</u>										
Construction permits issued	9,812	10,260	9,934	10,594	11,481	12,128	13,040	13,549	11,782	10,546
Land use applications reviewed	139	208	205	233	265	264	352	338	379	319
Parking permits issued	16,200	16,800	13,750	15,000	32,493	33,730	35,500	37,936	41,374	30,631
Parking citations issued	56,379	57,885	44,615	52,374	65,433	63,981	62,655	64,826	59,025	37,147
<u>Police:</u>										
Calls for service	103,219	109,097	123,099	127,782	125,867	126,770	133,322	131,686	133,285	144,270
Eugene crime index	4,857	5,282	5,337	5,209	5,251	4,515	4,190	4,196	4,116	3,609
U.S. median city crime index	2,419	3,769	3,845	3,618	3,591	3,419	3,318	3,268	3,194	3,255
<u>Public works:</u>										
Number of municipal airport passengers	789,620	806,541	840,048	891,936	907,810	938,895	1,011,875	1,120,925	1,151,193	954,818
Gallons of wastewater treated (in billions)	14.7	13.6	11.4	11.7	11.4	12.5	12.5	11.0	11.6	10.9

Notes

- a) The number of risk claims managed is based on the number of general and automobile liability cases and the number of workers' compensation claims managed during the year.
- b) Recreation services include participants in the City's recreational programs and patron visits to the City's recreational facilities.
- c) Construction permits issued has a more comprehensive methodology starting in FY15 and going forward.
- d) The Eugene crime index is based on the number of offenses, reported on a fiscal year basis (per 100,000 population).
- e) The U.S. median city crime index starting in FY16 uses the National Incident-Based Reporting System (NIBRS) indices, prior years used the Uniform Crime Reporting (UCR) index.

Data source

Individual City Departments

Capital Asset Statistics by Function/Program*Last ten fiscal years - unaudited*

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Fire and emergency medical services:</u>										
Ambulances	10	10	10	10	10	10	10	13	10	10
Fire stations	11	11	11	11	11	11	11	11	11	11
Fire apparatus	29	29	29	29	29	29	29	29	24	24
<u>Library, recreation, and cultural services:</u>										
Amphitheatre	1	1	1	1	1	1	1	1	1	1
Performing arts center	1	1	1	1	1	1	1	1	1	1
Community centers	8	8	8	8	8	8	8	8	8	8
9-hole golf course	1	1	1	1	1	1	1	1	1	1
Indoor/outdoor pool	3	3	3	3	3	3	3	3	3	3
<u>Police:</u>										
Patrol vehicles	43	43	43	52	52	52	52	53	53	53
<u>Public works:</u>										
Jogging and hiking trails (miles)	28	28	38	39	44	47	48	48	44	46
On/off street biking trails (miles)	157	159	159	159	304	248	245	245	264	264
Park acreage	3,987	4,283	4,506	4,576	4,677	4,800	4,800	4,800	4,800	4,970
Streets maintained (miles)	533	533	533	540	538	543	547	547	550	563
Alleys (miles)	42	43	43	43	43	43	43	43	43	43
Sidewalks (miles)	772	772	791	791	792	756	767	767	770	772
Drainage Lines (miles)	601	601	601	601	601	601	601	601	601	601
Wastewater collection lines (miles)	811	812	821	821	821	821	842	842	842	842

a) Beginning in FY15, bike lanes are being calculated based on lane miles as opposed to centerline miles.

b) Prior to FY16 the sidewalk and biking trails included the Urban Growth Boundary; starting with FY16 these are within City Limits.

Data source

Individual City Departments

AUDIT COMMENTS
(Comments and Disclosures Required by State Regulators)

Oregon Administrative Rules 162-10-000 through 162-10-320, of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required financial statements and schedules are set forth in preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth following.

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INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS



To the Honorable Mayor, Members of the
City Council and the City Manager
City of Eugene, Oregon

1976 Garden Ave.
Eugene, OR 97403
541.342.5161
www.islercpa.com

We have audited the basic financial statements of City of Eugene, Oregon as of and for the year ended June 30, 2020, and have issued our report thereon dated November 25, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

Compliance

As part of obtaining reasonable assurance about whether City of Eugene's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 to 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

In connection with our testing nothing came to our attention that caused us to believe the City of Eugene was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations except as follows:

1. Deficit net position are described in Note (3) (B) to the financial statements, *Stewardship, Compliance, and Accountability – Deficit Net Position*.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the City of Eugene's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Eugene's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Eugene's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report is intended solely for the information and use of the Honorable Mayor, members of the City Council, the City Manager, management of the City of Eugene and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than those specified parties.

ISLER CPA

A handwritten signature in black ink that reads "Paul R. Nielson". The signature is written in a cursive, flowing style.

By: Paul Nielson, CPA, a member of the firm
Eugene, Oregon
November 25, 2020

Government Auditing Standards Report

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS



To the Honorable Mayor and Members of the City Council
City of Eugene, Oregon

1976 Garden Ave.
Eugene, OR 97403
541.342.5161
www.islercpa.com

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Eugene, Oregon ("the City") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 25, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

ISLER CPA

A handwritten signature in black ink that reads "Paul R. Nielson". The signature is written in a cursive, flowing style.

By Paul Nielson, CPA, a member of the firm
Eugene, Oregon
November 25, 2020

OMB Uniform Guidance (Single Audit) Report

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members of the City Council
City of Eugene, Oregon



1976 Garden Ave.
Eugene, OR 97403
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Report on Compliance for Each Major Federal Program

We have audited the City of Eugene's ("the City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2020. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

ISLER CPA



By Paul Nielson, CPA, a member of the firm
Eugene, Oregon
November 25, 2020

CITY OF EUGENE, OREGON
Schedule of Findings and Questioned Costs
June 30, 2020

Section I - Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the City of Eugene were prepared in accordance with Generally Accepted Accounting Principles.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the *Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the City of Eugene, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the *Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by OMB Uniform Guidance*.
5. The auditor's report on compliance for the major federal award programs for the City of Eugene expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that were required to be reported in accordance with 2 CFR Section 200.516(a) reported in this schedule.
7. The programs tested as a major program were:

Investments for public works and economic development facilities, CFDA 11.300
Highway planning and construction cluster, CFDA 20.205
Coronavirus Relief Fund, CFDA 21.019
8. The threshold for distinguishing between Type A and B programs was \$750,000.
9. The City of Eugene qualified as a low-risk auditee.

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Section IV – Summary Schedule of Prior Audit Findings

None

Schedule of Expenditures of Federal Awards

For the fiscal year ended June 30, 2020

(amounts in dollars)

<u>Federal Grantor Program Title</u>	<u>Federal CFDA number</u>	<u>Grant number</u>	<u>Passed through to subrecipients</u>	<u>Expenditures</u>
U.S. Department of Commerce				
Direct program:				
Investments for Public Works and Economic Development Facilities	11.300	07-01-07390	0	1,057,574
Total U.S. Department of Commerce			0	1,057,574
U.S. Department of Housing and Urban Development				
Direct program:				
HOME Investment Partnerships Program	14.239	M-18-DC-41-0200	0	915,066
CDBG - Entitlement Grants Cluster:				
Direct program:				
Community Development Block Grants/Entitlement Grants	14.218	B-18-MC-41-0001	303,233	2,637,977
Community Development Block Grants/Entitlement Grants	14.218	CDBG-CV CARES	0	10,901
Total CDBG - Entitlement Grants Cluster			303,233	2,648,878
Total U.S. Department of Housing and Urban Development			303,233	3,563,944
U.S. Department of the Interior				
Direct program:				
BLM Fuels Management and Community Fire Assistance Program Activities	15.228	L15AC00129	0	108,316
Fish, Wildlife and Plant Conservation Resource Management	15.231	2100.17.055144	0	64,399
Fish, Wildlife and Plant Conservation Resource Management	15.231	L15AC00189	0	16,299
Fish, Wildlife and Plant Conservation Resource Management	15.231	L18AC00185	0	23,504
Grants passed through State of Oregon:				
Historic Preservation Fund Grants-In-Aid	15.904	OR-18-08	0	12,355
Total U.S. Department of the Interior			0	224,873
U.S. Department of Justice				
Direct program:				
Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-0739	0	37,893
Equitable Sharing Program	16.922	NA	0	107,248
Grants passed through State of Oregon:				
Crime Victim Assistance	16.575	VOCA/CFA-2019-EugeneVAP-00007	0	40,751
Grants passed through Lane County, Oregon:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-H2219-OR-DJ	0	29,230
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-H3028-OR-DJ	0	35,643
Total U.S. Department of Justice			0	250,765
U.S. Department of Transportation				
Direct program:				
Airport Improvement Program	20.106	3-41-0018-057	0	3,563
Airport Improvement Program	20.106	3-41-0018-058	0	8,911,558
Airport Improvement Program	20.106	3-41-0018-059	0	4,817,793
Airport Improvement Program	20.106	3-41-0018-060	0	5,003,832
Grants passed through Oregon Impact:				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	2018/2019	0	14,956
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	69A37518300001640R1	0	8,914
Highway Planning and Construction Cluster:				
Grants passed through State of Oregon:				
Highway Planning and Construction	20.205	30440	0	507,399
Highway Planning and Construction	20.205	31271	0	259,952
Highway Planning and Construction	20.205	32420	0	1,252,825
Highway Planning and Construction	20.205	32427	0	178,050

Schedule of Expenditures of Federal Awards

For the fiscal year ended June 30, 2020

(amounts in dollars)

<u>Federal Grantor Program Title</u>	<u>Federal CFDA number</u>	<u>Grant number</u>	<u>Passed through to subrecipients</u>	<u>Expenditures</u>
<u>U.S. Department of Transportation, continued</u>				
Highway Planning and Construction Cluster, continued:				
Grants passed through State of Oregon, continued:				
Highway Planning and Construction	20.205	32445	0	29,796
Highway Planning and Construction	20.205	32446	0	718,172
Highway Planning and Construction	20.205	32886	0	1,284
Highway Planning and Construction	20.205	32893	0	144,586
Highway Planning and Construction	20.205	33023	0	84,065
Highway Planning and Construction	20.205	33281	0	238,197
Highway Planning and Construction	20.205	33348	0	4,150
Highway Planning and Construction	20.205	1921WKZN-421 GGG	0	68,520
Highway Planning and Construction	20.205	33379	0	46,087
Highway Planning and Construction	20.205	33276	0	5,450
Highway Planning and Construction	20.205	33333	0	20,683
Highway Planning and Construction	20.205	33730	0	60,796
Highway Planning and Construction	20.205	31816	0	29,929
Grants passed through Lane Transit District:				
Highway Planning and Construction	20.205	2016-00227	0	45,655
Grants passed through Lane Council of Governments:				
Highway Planning and Construction	20.205	2020-00215	0	45,000
Total Highway Planning and Construction Cluster			0	3,740,596
Federal Transit Cluster:				
Grants passed through Lane Council of Governments:				
Federal Transit Capital Investment Grants	20.500	NA	0	220,606
Total Federal Transit Cluster			0	220,606
Highway Safety Cluster:				
Grants passed through State of Oregon:				
State and Community Highway Safety	20.600	OP-19-45-03 GGG	0	13,540
State and Community Highway Safety	20.600	69A375130000405eORC	0	4,806
National Priority Safety Programs	20.616	SE-20-35-05 AAM	0	6,780
National Priority Safety Programs	20.616	M1HVE-20-46-03 AAA	0	7,769
Grants passed through Oregon Impact:				
State and Community Highway Safety	20.600	NA	0	3,657
State and Community Highway Safety	20.600	69A375130000405eORC	0	399
Grants passed through Lane Council of Governments:				
National Priority Safety Programs	20.616	2018-00217	0	503
Total Highway Safety Cluster			0	37,454
Grants passed through State of Oregon:				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	FFY-18-HMEP-Lane LEPC	0	5,000
Coronavirus Relief Fund	21.019	1062	0	3,734,668
Total U.S. Department of Transportation			0	26,498,940
<u>U.S. Environmental Protection Agency</u>				
Direct program:				
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	BF-01J40201	0	180,348
Total U.S. Environmental Protection Agency			0	180,348
<u>U.S. Department of Education</u>				
Grants passed through Eugene School District 4J:				
Twenty-First Century Community Learning Centers	84.287	NA	0	30,639
Total U.S. Department of Education			0	30,639

Schedule of Expenditures of Federal Awards

For the fiscal year ended June 30, 2020

(amounts in dollars)

<u>Federal Grantor Program Title</u>	<u>Federal CFDA number</u>	<u>Grant number</u>	<u>Passed through to subrecipients</u>	<u>Expenditures</u>
<u>U.S. Department of Health and Human Services</u>				
Grants passed through State of Oregon:				
Provider Relief Fund	93.498	NA	0	122,262
National Bioterrorism Hospital Preparedness Program	93.889	161751	0	1,860
Grants passed through Lane County, Oregon:				
Low-Income Home Energy Assistance	93.568	LIHEAP	0	30,291
Low-Income Home Energy Assistance	93.568	LP20 CARES	0	704
Total U.S. Department of Health and Human Services			0	155,117
<u>U.S. Department of Homeland Security</u>				
Direct program:				
Hazard Mitigation Grant	97.039	DR-4296-OR	0	103,496
Assistance to Firefighters Grant	97.044	EMW-2017-FP-00442	0	118,972
Grants passed through State of Oregon:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-DR-4432-OR	0	565,904
Emergency Management Performance Grants	97.042	19-539	0	135,337
Emergency Management Performance Grants	97.042	18-539	0	2,000
Homeland Security Grant Program	97.067	17-212	0	62,468
Homeland Security Grant Program	97.067	19-227	0	370
Homeland Security Grant Program	97.067	17-213	0	13,887
Homeland Security Grant Program	97.067	19-226	0	1,880
Homeland Security Grant Program	97.067	18-220	0	12,269
Total U.S. Department of Homeland Security			0	1,016,583
Total Federal Financial Assistance			303,233	32,978,783

CITY OF EUGENE, OREGON

Notes to Schedule of Expenditures of Federal Awards

June 30, 2020

(1) Purpose of the Schedule

The accompanying schedule of expenditures of federal awards (the "Schedule") is a supplementary schedule to the City of Eugene's (City) basic financial statements and is presented for purposes of additional analysis. Because the Schedule presents only a selected portion of the activities of the City, it is not intended to and does not present either the financial position, changes in fund balances, or the operating funds' revenues or expenditures of the City.

(2) Significant Accounting Policies

Basis of Presentation

The information in the Schedule is presented in accordance with the Uniform Guidance.

Federal Financial Assistance

Pursuant to the Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations. Accordingly, nonmonetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the state and federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

Major Programs

The Uniform Guidance establishes criteria to be used in defining major federal financial assistance programs. Major programs for the City are those programs selected for testing by the auditor using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in the Uniform Guidance. Programs with similar requirements may be grouped into a cluster for testing purposes.

Reporting Entity

The reporting entity is fully described in Note 1A to the basic financial statements. Additionally, the Schedule includes all federal programs administered by the City for the year ended June 30, 2020.

Revenue and Expenditure Recognition

The receipt and expenditure of federal awards are accounted for under the modified accrual basis of accounting. Revenues are recorded as received in cash or on the accrual basis where measurable and available. Expenditures are recorded when the liability is incurred.

Indirect Cost Rate

The City has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

RESOLUTION NO.

A RESOLUTION ACKNOWLEDGING THE RECEIPT OF THE
COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE
CITY OF EUGENE FOR THE FISCAL YEAR ENDED
JUNE 30, 2020

The City Council of the City of Eugene finds that:

The firm of Isler CPA has completed the audit of the financial statements of the City of Eugene for the fiscal year ended June 30, 2020, as required by ORS 297.425 and, pursuant to ORS 297.465, reported to the Mayor and City Council on its findings.

NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of Eugene, a Municipal Corporation of the State of Oregon, as follows:

Section 1. That the Council hereby acknowledges that it has received the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020.

The foregoing resolution adopted the 14th day of December 2020.

City Recorder



November 25, 2020

To the City Council
City of Eugene, Oregon

1976 Garden Ave.
Eugene, OR 97403
541.342.5161
www.islercpa.com

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Eugene for the year ended June 30, 2019, and have issued our report thereon dated November 25, 2020. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with the accounting principles generally accepted in the United States. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Eugene are described in the footnotes to the financial statements. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus.

The financial statements include:

- significant pension (OPERS) disclosures.
- tax abatements.
- other post-employment benefit obligations.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. The most significant estimates affecting the financial statements are the determination of depreciation on capital assets, the net pension liability estimate and the net other post-employment benefit obligation (OPEB) estimates. The accounting policies relating to capital assets and depreciation are described in the footnotes to the comprehensive annual financial report. The PERS footnote includes assumptions used to value the pension obligation and interest rate sensitivity analysis. Estimate relating to the OPEB obligations are set forth in the footnotes to the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 25, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles, implementation of new accounting standards, and the impact of new auditing standards with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the City Council and management of the City of Eugene and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

ISLER CPA

A handwritten signature in black ink that reads "Paul R. Nielson". The signature is written in a cursive, flowing style.

By Paul Nielson, a member of the firm

Information on General Fund, Fund Balance Trends

The FY20 Comprehensive Annual Financial Report (CAFR) includes key data related to the General Fund's Ending Fund Balance. Fund balance information is contained in several places:

- Governmental Funds, Balance Sheet, Exhibit 3, page 25.
- Governmental Funds, Statement of Revenues, Expenditures and Changes in Fund Balance, Exhibit 4, page 26.
- Notes to Basic Financial Statements, Note 1(Q), Fund Balance, pages 43-44.
- General Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual, Schedule A-1, page 85.

Included in these exhibits and schedules is information on the change in the General Fund's fund balance from the prior year, as well as a breakdown of elements of fund balance.

General Fund Ending Working Capital (Budget Basis)

FY20 actual results show an ending working capital (EWC) in the General Fund, reporting fund (including the Main Subfund, Cultural Services Subfund and Equipment Replacement Sub-fund) of \$56,898,990 which is \$6,231,049 less than the FY19 EWC and \$8,686,572 more than anticipated for carryover resources in the FY21 Adopted Budget. These figures are reported on a Budget Basis of accounting. The chart below compares FY19 and FY20 EWC for the General Fund (Budget Basis).

General Fund Ending Working Capital Budget Basis	Main Subfund	Cultural Services Subfund	Equipment Replacement Subfund	Total Reporting Fund *
FY19	59,363,603	2,988,286	778,150	\$63,130,039
FY20	53,975,840	2,029,555	893,595	56,898,990
Change	(5,387,763)	(958,731)	115,445	(6,231,049)

General Fund Ending Fund Balance (GAAP Basis)

GAAP results differ from budget basis results because the budget is created on a modified accrual basis while GAAP rules are slightly different in terms of when revenues and expenditures are recognized. The chart below compares FY19 and FY20 EWC for the General Fund (GAAP Basis).

General Fund Ending Working Capital GAAP Basis	Main Subfund	Cultural Services Subfund	Equipment Replacement Subfund	Total Reporting Fund *
FY19	61,245,130	3,003,994	779,982	65,029,106
FY20	55,208,494	2,047,472	898,108	58,154,074
Change	(6,036,636)	(956,522)	118,126	(6,875,032)

*Source: CAFR A-1, page 83 (FY19).

*Source: CAFR A-1, page 85 (FY20).

General Fund Ending Balance Classifications

The General Fund Ending Fund Balances for FY19 and FY20 are shown below according to the classifications in the CAFR. This chart shows the components of the Ending Fund Balance and how they have changed from FY19 to FY20.

General Fund Ending Balance Classifications (FY19 and FY20)

Category	Item	Explanation	FY19	FY20
Non-Spendable		Prepays and deposits have already been paid out and are not available for other spending	\$1,730,503	\$942,750
Restricted	Cultural Services	From Transient Room Tax; must be spent according to state law.	1,093,903	740,503
Assigned	Unappropriated Ending Fund Balance	Pay bills and payroll until property taxes are received in November; set at 2 months of expenditures per Council policy	27,160,000	28,760,000
	Cultural Services	Prudent reserve for operation of Hult Center, etc.	1,910,091	1,306,969
	Reserve for Encumbrance	Contracts that were in effect but not complete as of June 30	2,538,610	2,070,435
	Other Reserves	For property tax appeals, excess local marijuana, and equipment replacement	624,128	335,162
Unassigned	Reserve for Revenue Shortfall	Prudent reserve for the General Fund; target is 8% of expenditures	28,645,079	4,478,542
	Reserve for Next Year's Spending	Used to balance the subsequent year's budget	(1,915,215)	9,327,729
	Other	Comprised of a) marginal BWC adjustment that is appropriated on supplemental budget #1 in December of the subsequent year and b) GAAP timing differences	3,242,007	10,191,984
		Total Fund Balance	\$65,029,106	\$58,154,074

Source: CAFR Exhibit 3, page 25, and CAFR Note (1)(Q), page 43-44 (FY19).

Source: CAFR Exhibit 3, page 25, and CAFR Note (1)(Q), page 43-44 (FY20).

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Adoption of a Resolution Amending Eugene City Council Operating Agreements and Repealing Resolution No. 5205

Meeting Date: December 14, 2020
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 3D
Staff Contact: Beth Forrest
Contact Telephone Number: 541-682-5882

ISSUE STATEMENT

The City Council Operating Agreements is the document that guides how the City Council conducts its business. Occasionally, amendments are made to the document to reflect council's desire to update processes. These amendments must be adopted by resolution.

BACKGROUND

At the January 22, 2020, City Council process session, the following substantive revisions to the City Council Operating Agreements were approved by the council:

- Update Section 1.02 Work Sessions to reflect that work sessions will be scheduled on the second, third, fourth, and fifth Wednesdays of the month. Additional 5:30 p.m. work sessions will be scheduled on the third Monday of the month, as needed.
- Update Section 2.02 Council Poll to treat resolutions the same as work session items that are scheduled through council polls and the poll needs to reflect the time-sensitivity of the resolution as well.
- Add Section 3.06 Action Items to reflect that, in general, action on ordinances and councilor-introduced resolutions will be placed on regular meeting agendas and will be scheduled after the Public Forum. This does not preclude taking action on items during work session or other portions of the meeting.
- Update Section 7.02 Meeting Guidelines to clarify that, whenever possible or practicable, every effort is made to contact other members of the council to inform them of an intent to make a motion at least 24 hours in advance of the meeting.
- Update Section 10.03 Local Expenses to reflect that alternative forms of transportation, including walking and biking and excluding buses, have a mileage reimbursement rate of \$.25.8/mile.
- Update Section 10.04 Spouse/Guest Expenses to replace all references to "spouse" with "spouse, partner, or guest."

At a process session on October 28, 2020, the council directed staff to return with a resolution to amend the Operating Agreements by incorporating these changes.

PREVIOUS CITY COUNCIL DIRECTION

[January 22, 2020, City Council Process Session](#)

Council passed a series of motions to update their Operating Agreements with the changes reflected in Exhibit A to Attachment A.

[October 28, 2020, Council Process Session](#)

Council passed a motion directing staff to bring back a resolution amending their Operating Agreements with the changes reflected in Exhibit A to Attachment A

COUNCIL OPTIONS

The City Council may choose to 1) adopt the revisions and proposed resolution as submitted; 2) offer suggestions for modified language; or 3) not adopt the resolution.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends adoption of the proposed resolution.

SUGGESTED MOTION

Move to adopt a Resolution amending Eugene City Council Operating Agreements and repealing Resolution No. 5205.

ATTACHMENTS

- A. Proposed Resolution
 - Exhibit A – Revised Operating Agreements

FOR MORE INFORMATION

Staff Contact: Beth Forrest
Telephone: 541-682-5882
Staff E-Mail: bforrest@eugene-or.gov

RESOLUTION NO. _____

A RESOLUTION AMENDING EUGENE CITY COUNCIL OPERATING AGREEMENTS AND REPEALING RESOLUTION NO. 5205.

The City Council of the City of Eugene finds that:

A. Section 2.007 of the Eugene Code, 1971, contains provisions regarding Council meetings and the establishment of Council groundrules.

B. The Eugene City Council Operating Agreements (referred to as groundrules in the Eugene Code, 1971) were adopted by Resolution No. 4588 on April 12, 1999, and have subsequently been amended, most recently by Resolution No. 5205 on September 11, 2017.

C. At its Council process session on October 28, 2020, the Council passed a Motion directing staff to return to Council with a Resolution amending the City Council Operating Agreements in accordance with changes Councilors agreed upon at its January 22, 2020, work session. The amendments include revisions to sections 1.02 (Work Sessions), 2.02 (Council Poll), 7.02 (Other Meeting Guidelines), 10.03 (Local Expenses), and 10.04 (Spouse Expenses), and the addition of section 3.06 (Action Items).

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Based on the above findings, the Eugene City Council Operating Agreements, referred to as ground rules in the Eugene Code, 1971, are amended as set forth in Exhibit A attached to this Resolution.

Section 2. Based on Council's directive at its regular meeting on January 28, 2008, that the operating agreements of the Intergovernmental Relations Committee be incorporated into the Operating Agreements of the Eugene City Council, also included in Exhibit A are the City Council Committee on Intergovernmental Relations Operating Agreements.

Section 3. Resolution No. 5205 and the Operating Agreements adopted by that Resolution are repealed as of the effective date of this Resolution.

The foregoing Resolution adopted the ____ day of December, 2020.

City Recorder

EUGENE CITY COUNCIL OPERATING AGREEMENTS
RESOLUTION NUMBER []
ADOPTED []

INTRODUCTION

The Municipal Charter of the City of Eugene (Charter) and Eugene City Code, 1971 (E.C.), as well as the Oregon Revised Statutes (ORS) law govern many meeting requirements and actions of the Council. The Eugene Charter, Chapter 2 of the Eugene City Code, and various sections of ORS 192 and 244 are primary sources of these meeting and other operating requirements.

1. MEETING REQUIREMENTS

1.01 Time of Meetings

Regular meetings of the Eugene City Council (the Council) shall be on the second and fourth Mondays of each month. These meetings shall begin at 7:30 p.m. and shall end at 10 p.m., or when the agenda item considered by the Council at 10 p.m. is concluded. If those days are on a legal or religious holiday, the Council may schedule the meeting for the day immediately following.

1.02 Work Sessions

The Council may meet in work sessions beginning at 5:30 p.m. prior to its regular Monday meetings. Other work sessions may be held on the second, third, fourth, **and fifth** Wednesdays of the month. These work sessions shall start at noon and last for a maximum of 90 minutes. **Additional 5:30 p.m. work sessions will be scheduled on the third Monday of the month, as needed.** Except for extraordinary circumstances, the total time for presentations by staff and/or others on a single agenda item shall be no more than 15 minutes.

1.03 Location of Meetings

Eugene City Council meetings shall be held within the jurisdictional boundaries of the City. Training sessions may be held outside the City limits, if no deliberations toward a decision are made. Inter-jurisdictional meetings may be held outside City limits, but should be as close to Eugene as practical. No City Council meeting shall be held at any place where discrimination on the basis of an individual's race, religion, color, sex, national origin, ethnicity, marital status, familial status, age, sexual orientation, source of income or disability, is practiced. For this purpose, meetings do not include visitations or attendance at any national, regional, or state association to which the councilor belongs.

1.04 Notice of Meetings, Special Meetings, Emergency Meetings

Advance notice of at least 24 hours shall be provided for all meetings. Notice shall include written notice to all news media which requested notice. In the case of emergency or when a state of emergency has been declared, notice appropriate to the circumstances shall be provided and reasons justifying the lack of 24-hour notice shall be included in the minutes of such meeting. As per both the Eugene Charter, Section 9, and Eugene Code, Section 2.007 (2), the Mayor or three of the members of the Council, may call a special meeting of the Council in manner provided in E.C. 2.007 (3).

1.05 Public Forum

A public comment period generally shall be the first item of every regular meeting of the Eugene City Council,. By council majority vote, time-sensitive issues may be moved up in the agenda order.

Persons wishing to speak must sign up to do so not later than five minutes after the Public Forum has been opened by the Mayor or presiding officer. The Mayor or presiding officer shall inform the audience of the requirement to sign up to speak not later than five minutes after the meeting has been called to order or prior to the conclusion of the Public Forum.

Members of the public may speak about any topic during the Public Forum, except as provided below. If a member of the public wishes to speak on an item that is scheduled for a public hearing at that same meeting, the speaker shall wait until that public hearing. The Public Forum cannot be used to testify about an item that is not a public matter or which has already been heard by a Hearings Official, or to provide or gather additional testimony or information on a quasi-judicial matter after the official record has been closed.

Speakers at the Public Forum will be limited to three minutes. Generally, the speakers will be called upon in the order in which the "Request to Speak" forms are received by staff at the meeting. No persons will be allowed to submit a "Request to Speak" form more than 30 minutes prior to the start of the meeting.

At the end of the Public Forum each member of the Council has the opportunity to respond to comments made during the Public Forum. The time allocated to each member of the Council for such responses shall be up to three minutes.

1.06 Public Hearings

Public hearings shall generally be held on the third Monday of the month, except for those months during which a Council break occurs and shall be held for all ordinances except under the terms delineated in E.C. 2.007(4). Hearings may be scheduled on other items at the discretion of the Mayor and the City Manager.

Persons wishing to speak shall submit a "Request to Speak" form prior to the commencement of the public hearing at which the person wishes to speak. The Mayor or presiding officer shall inform the audience of this requirement to sign up prior to the commencement of a public hearing. In general, speakers will be limited to three minutes. Eugene Code 2.015(7) notwithstanding, councilors may ask clarifying or follow-up questions of individuals providing testimony after that individual has completed his/her testimony. Questions posed by City Councilors should be to provide clarification or additional information on testimony provided. Questions should not be used as an attempt to lengthen or expand the testimony of the individual. Councilors shall be expected to use restraint and be considerate of the meeting time of the Council when exercising this option. The Mayor or presiding officer may intervene if a councilor is violating the spirit of this guideline. At the end of the Public Hearing, each member of the Council has the opportunity to comment on or discuss testimony given during the Public Hearing.

1.07 Executive Session

All meetings of the Council shall be held in open session, except those meetings that may be closed for purposes specified in the Oregon Attorney General's Public Records and Meetings Manual (ORS 192.610 to 192.690). These include the employment or dismissal of public employees, performance evaluation of the council's employees, labor negotiations, real property transactions negotiations, and consulting with legal counsel on pending or threatened litigation.

Notice of executive sessions shall be given as required by state law and that notice must state the specific provisions of law authorizing the session.

The Mayor and City Councilors are expected to maintain the confidentiality of the information discussed in legally noticed and conducted executive sessions as defined in Chapter 192 of the Oregon Revised Statutes.

1.08 Minutes

Written minutes shall be taken for all City Council meetings in accordance with the Oregon Attorney General's Public Records and Meetings Manual. The minutes must give a true reflection of the matters discussed but need not be a full transcript, verbatim or recording.

As a matter of courtesy and efficiency, a councilor should notify the Mayor and other councilors that he/she intends to propose an amendment to the minutes and should propose replacement text in advance of the meeting at which those minutes are scheduled to be approved. If the proposed amendment is a simple factual, grammatical, or spelling correction, the amendment may be proposed without consulting the minutes recorder. If, however, the proposed amendment is substantive in nature or seeks to clarify the speaker's intent, or to expand his/her remarks for the record, the councilor should notify the minutes recorder and request verification of the proposed amendment.

1.09 Voting

Section 12 of the Eugene Municipal Charter states that the Mayor only votes on matters before the Council in the case of a tie. Council members may not abstain from voting unless a conflict of interest has been declared.

1.10 Presiding Officer

The Mayor shall preside over City Council meetings when present. The president of the Council shall preside if the Mayor is absent or unable to preside. The Council vice president shall have the powers of the Council president when the Council president is performing the duties of the Mayor. If the Mayor, Council president, and vice president are unavailable, the Council members present shall elect a temporary presiding officer.

1.11 Council Officers

Council officers shall be elected for one-year terms in the manner prescribed in the E.C. 2.009, at the first regular meeting in each calendar year.

2. PLACING ITEMS ON COUNCIL AGENDA

2.01 Contact the City Manager

Contact the City Manager and explain the nature, scope and desired outcome of the item for the agenda or make the request during “Items from Mayor and City Council” at a City Council work session. The City Manager and Mayor may then decide to place the item on a future agenda.

2.02 Council Poll

Alternatively, an item may be placed on the Council agenda by councilor request. A councilor may ask Council support staff for a work session **or consideration of a resolution**, and staff shall then poll all councilors, in writing, to ask if the item should be placed on the Council agenda. If, within two weeks of distribution of the poll, with an individualized reminder at five working days, a majority of the Council responds in the affirmative, the item shall be placed on the Council agenda within one week. A majority in this instance is four councilors.

2.03 Tentative Agenda on the Consent Calendar

At each regular meeting of the Council, the City Manager shall present the Tentative Agenda. This shall be placed on the Consent Calendar. If there are concerns about items on the Tentative Agenda, it may be removed at the request of any councilors from the Consent Calendar and discussed separately.

2.04 Tentative Agenda Provided Each Week

The Tentative Agenda shall be included in the weekly information packet provided to the Council.

2.05 Scheduling of Items on the Agenda

The City Manager and Mayor shall decide the date that items come before Council for work sessions and for regular meetings.

2.06 Routine Business Items on the City Council Agenda

The City Manager shall continue to place routine and standard items of Council business on the City Council agenda.

3. ORDER OF ITEMS ON A SPECIFIC DATE MEETING AGENDA

3.01 Pledge of Allegiance to the Flag

The Eugene City Council shall begin its formal council meetings with a voluntary recitation of the Pledge of Allegiance at those council meetings closest to the following holidays: Memorial Day, Veterans Day, Flag Day, and the Fourth of July.

At the council meeting closest to the Fourth of July, the ceremony will also include readings from the Declaration of Independence and/or United States Constitution.

3.02 Ceremonial Matters

At the first regular meeting of each month, the first agenda item shall be used to acknowledge special recognition or awards given to the City of Eugene or for the Mayor to read proclamations which serve to encourage and educate the community. Proclamations shall be made and placed on the agenda at the discretion of the Mayor. This item shall be

called “Ceremonial Matters.” Requests for recognition under Ceremonial Matters should be submitted in writing to the Mayor.

3.03 Consent Calendar

At regular City Council meetings, in order to expedite the Council’s business, routine and standard items shall be placed on the Consent Calendar. Any item on the Consent Calendar may be removed for separate consideration by any member of the Council. Revisions or corrections to meetings minutes shall be considered first, prior to other items removed from the Consent Calendar. The remaining items on the Consent Calendar may then be considered for action by a single vote. The items pulled from the Consent Calendar shall be considered after the approval of the remainder of the Consent Calendar and before the next scheduled item on the agenda. In general, ordinances, because of charter requirements, should not to be placed on the Consent Calendar.

3.04 Public Hearings Given Priority

As a guideline, public hearings shall be placed on the specific meeting agenda before items only requiring action. Further, public hearings expected to draw a small number of speakers shall be placed before public hearings for which a larger number of speakers is expected.

3.05 Committee Reports and Items from Mayor, City Council and City Manager

At work sessions meetings held on the second and fourth Mondays of each month, the first item on the agenda shall be “Committee Reports and Items of Interest from Mayor, City Council and City Manager.” This portion of the agenda provides an opportunity for the Mayor and councilors to raise issues, present ad hoc motions, introduce resolutions and report on committee activities and actions. The time allotted for “Items” is subject to change to accommodate emerging issues.

3.06 Action Items

In general, action on ordinances and councilor-introduced resolutions or motions shall be placed on regular City Council meeting agendas and shall be scheduled after Public Forum. This does not preclude taking action on items during work sessions or other portions of the meeting.

4. COUNCIL ACTION ON AGENDA ITEMS

As a guideline, action on issues for which a public hearing has occurred shall not be taken at the same meeting at which the public hearing is held. In the case of an ordinance, the charter requires that an ordinance shall not be adopted by the Council unless it has been considered by the Council during at least two meetings. With the unanimous consent of the Council, the Council may consider and enact an ordinance at a single meeting if the Council does not amend the ordinance in a manner that modifies its substantive effect (Charter, Section 28 (3)).

5. POSTPONING AGENDA ITEMS

Any councilor may request that an item be postponed to another meeting if he/she is unable to attend the meeting at which the item has been scheduled. As a courtesy, councilors should submit in writing a request to postpone to the Mayor as early as possible.

If the Mayor is unavailable, the request should be made to the City Manager or the Manager's designated staff member. A request to postpone may be made for either a work session item or a vote on an agenda item. The request to postpone shall be honored unless a majority of councilors present determines that the matter needs to be acted upon at that meeting.

6. COMMITTEES OF THE COUNCIL

6.01 Creation of Committees

While the City Code governs appointments to certain committees, the code grants broad general powers to the Mayor and City Council to create subcommittees or special ad hoc committees of the Council. The Mayor shall nominate and the Council shall appoint the members of any committee established by the Council unless a different procedure is specified at the time the committee is established. The charge to the committee shall be clearly stated at the time the committee is established, and the committee shall disband when its work is complete. Committees may be composed of councilors, interested citizens or both.

6.02 Standing Committees of the Council

There is one standing committee of the Council: Intergovernmental Relations Committee.

6.03 Standing Advisory Bodies to the Council

There are seven standing advisory bodies to the City Council. These are created in the Eugene Code and Charter and exist to provide advice on policy matters. They are: 1) Budget Committee; 2) Planning Commission; 3) Police Commission; 4) Human Rights Commission; 5) Sustainability Commission; 6) Civilian Review Board; and 7) Toxics Board.

7. CONDUCT AT MEETINGS

7.01 Roberts Rules of Order

Conduct at City Council meetings and committee meetings is governed by Robert's Rules of Order, Revised. The Council has the obligation to be clear and simple in its procedures and in its consideration of the questions coming before it. Council members shall avoid invoking the finer points of parliamentary rules which may serve only to obscure the issues.

7.02 Other Meeting Guidelines

The presiding officer shall be responsible for ensuring order and decorum are maintained. Behavior or actions that are unreasonably loud or disruptive shall be cause for removal from Council meetings. This includes engaging in violent or distracting action, making loud or disruptive noise or using similar language, and refusing to obey an order of the presiding officer.

Council members speak only for themselves and shall be open, direct and candid. They work to keep discussion moving and call for a "process check" if the discussion becomes bogged down. Time limits may be set on topics. When councilors speak to each other during public meetings, last names shall be used during regular meetings, but first names may be used during work sessions. The Mayor is, however, always referred to as "Mayor."

During public meetings, councilors generally should not attempt to edit or rewrite prepared ordinances. Amendments to an ordinance may, however, be appropriate. Generally, councilors should give direction to staff to bring back amended ordinances for Council consideration.

If a member of the Council intends to make a motion at a meeting which is not reflected in the agenda item summary, every effort should be made to contact other members of the Council to inform them of the intent and the text of the motion **at least 24 hours in advance of the meeting whenever possible or practicable**. City Council support staff should be provided with the same information and may be asked to assist in the notification process.

The Mayor and Council will be limited to commenting only on the main motion prior to discussing any proposed amendments. If an amendment to the motion is made during the initial round on the main motion, subsequent remarks on the amendments will be postponed until all wishing to speak on the main motion have done so.

Comment times for the Mayor and councilors at City Council meetings or work sessions shall be generally limited to no more than three minutes. At the discretion of the Mayor or presiding officer, second and subsequent rounds may be limited further to ensure that everyone has an opportunity to be heard in the time allotted for the item.

7.03 Public Conduct

The rules of conduct for members of the public shall generally be the same as for the Council. City Code prohibits any person from bringing flags, signs, posters, and placards to a City Council meeting unless authorized by the presiding officer. The Eugene Code specifically permits arm bands, emblems, badges, and other articles worn on personal clothing, so long as such items do not extend from the body in such a way as to cause injury to another.

8. COUNCILOR REQUEST FOR STAFF ASSISTANCE

8.01 Two-Hour Rule

Initiatives requiring more than two hours of staff time must be approved by the Council. Requests that involve less than two hours staff time or resources should be directed to the City Manager.

8.02 Major Request

A councilor who desires major policy, ordinance research, or other staff assistance should first raise the issue at a City Council work session. The Council should decide whether to proceed with the issue or ordinance before staff time is spent.

8.03 Tracking Council Requests

Except for routine inquiries, the City Manager shall respond to councilors' requests for information or assistance. The Manager shall assign these requests to appropriate City staff and track progress on the assignments. This process eliminates the possibilities of staff members duplicating each other's efforts or a request being overlooked.

9. REPRESENTING CITY POSITIONS AND PERSONAL POSITIONS

9.01 Written Communications from City Councilors and Mayor

In written communication with other officials or groups and in letters for publication, such as "to the editor," the Mayor and councilors should be careful to decide whether to speak only for themselves or for the Council. In speaking for the Council, when there is a position which the

writer wishes to reinforce or explain, it is useful to circulate a copy to the Council for comment before the letter is mailed. Letters to other elected officials or agencies on City issues shall be discussed with the appropriate staff so that the City lobby effort can be coordinated.

When writing as an individual, a councilor or the Mayor is free to take any position he/she feels is appropriate. When it is a point of view different from a Council position, this fact should be included in the letter. Use of City stationery and choice of pronouns shall be left to the discretion of the councilor or the Mayor.

The governing principle is to advise the Council or staff when expressing a City position, and to make differences clear when speaking as an individual.

9.02 State/Federal Lobbying

The effectiveness of City lobbying in Salem or in Washington, D.C. depends on the clarity of the City's voice. When councilors or the Mayor represent the City in a lobbying situation, it is appropriate that the councilors or the Mayor avoid expressions of personal dissent from an adopted Council policy. This policy is stated in Resolution No. 4139, Council Policy on Testimony and Funding Applications.

A councilor or the Mayor in disagreement with an adopted policy should not be deprived of the right to express such views to the appropriate officials at another time and another place. However, the councilor or the Mayor should feel bound to advise those to whom such disagreement is expressed that it is an individual view and that the Council has taken a different position.

9.03 Attending Conferences, Other Meetings

Councilors and the Mayor are encouraged to attend conferences and training sessions which would enhance their skills and knowledge. Any councilor or the Mayor may attend any meeting at which the Council is represented, but only the formally appointed official City Council representative or designated alternate, has the right to vote on matters being considered by the organization or group holding the meeting or conference. Individual councilors or the Mayor may state he or she is representing the City Council if he or she has been formally directed by the City Council to do so.

For local intergovernmental bodies or advisory groups to which an official Eugene City Council representative has been appointed, the representative is to serve as an "instructed delegate;" that is, to represent pertinent adopted City and City Council policy. If possible, the Mayor or councilors should inform the other members of the City Council of the matters being considered by intergovernmental bodies, and to the greatest extent possible, seek direction from the City Council on issues directly pertaining to the City of Eugene and adopted City policy. The representative may express his or her own opinion, provided it is identified as such, but when voting or considering matters with policy implications or budgetary considerations, the representative must follow adopted City or City Council policy and direction.

Participating in state and national groups such as the League of Oregon Cities and the National League of Cities presents the opportunity to enhance skills and knowledge and is an important avenue for the Mayor and councilors to advocate for the members of the

community and the city itself. If the Mayor or councilors attend meetings of these organizations, an official voting delegate should be selected by the City Council. This voting delegate, to the greatest extent possible, informs the Mayor and City Council of issues or matters on which the voting delegate may be asked to vote. If there is existing City or Council policy, the voting delegate will vote in accordance with that policy. When providing a report to the council (see Section 10.06), votes of the delegate should be included in that report.

If the Mayor or individual councilor serves on a committee of a state or national advisory committee and has been selected in an “at large” role, that is, not a specific seat or position for a City of Eugene elected official, that person should state the adopted City or Council policies. However, that person is not bound by the adopted policy and can represent his or her own position, provided that the person makes such a disclaimer.

10. COUNCILOR EXPENSES

10.01 General Guidelines for Reimbursed Expenses

Under the provisions of the City Charter, the City may pay a councilor or the Mayor expenses that are directly related to City business. It is each councilor’s and the Mayor’s responsibility to determine if expenses are actually City-related. If there are questions about the propriety of such expenditures, the Manager shall first review the issue with the councilor. If the City Manager and the councilor cannot resolve the issue, the Manager shall discuss the matter with the Mayor. Receipts should be secured for any expenses and should accompany City Council expense report forms to record mileage and other expenses. The forms shall be available from the City Manager’s Office.

Activities that support or oppose a political campaign shall not be reimbursable.

10.02 Out-of-Town Expenses

Out-of-town expenses include those incurred while attending City-related conventions, conferences, training seminars, or meetings. Expenses that are paid by the City include fees for seminars or conferences; transportation to, from, and at the destination; and lodging, meals, and incidental expenses that are necessary to conduct City business.

10.03 Local Expenses

Local expenses include those incurred while representing the Council on a committee, attending meetings, attending local seminars or conferences, attending local special events, or meeting with groups or individuals to discuss City matters. Expenses that are paid by the City are detailed in Resolution No. 4375 and include meals, conference registration, transportation and necessary incidental expenses, and up to two community group memberships, not to exceed \$100 total. The reimbursement for bicycle mileage **using alternative forms of transportation, including walking and biking and excluding buses**, as permitted in Resolution No. 4375, shall be **\$.25.8 per mile as of July 1, 2020**, and shall be adjusted each year at the same rate of increase as that of automobile reimbursement. Special materials such as books or directories may also be eligible for reimbursement.

If receipts are not available, a written description of expenses signed by the Councilor must be submitted along with the Council Expense Report Form. Forms shall be available from the City Manager's Office.

10.04 Spouse/Partner**/Guest Expenses**

The City shall reimburse councilors or the Mayor for spouse/**partner/guest** expenses at local events when the councilors or the Mayor and a spouse/**partner/guest** are jointly invited and the councilors are serving in their official capacity, such as a recognition dinner. The City does not otherwise reimburse councilors or the Mayor for expenses incurred by their spouse/**partner/guest**. If councilors or the Mayor wish to have their spouse/**partner/guest** accompany them while attending out-of-town events, the City may make reservations and have travel and lodging expenses billed directly to the City. Councilors or the Mayor must then reimburse the City for their spouse/**partner/guest** travel and lodging expenses. Reimbursement should be made as soon as possible so that the trip reconciliation process can be completed.

10.05 Petty Cash

Expenses under \$50 can be reimbursed out of the petty cash fund in the City Manager's Office.

10.06 Travel Guidelines

Prior notification of out-of-town travel shall be given to staff responsible for travel arrangements in the City Manager's Office whenever possible. Registration and travel arrangements should be made well in advance so that the City can take advantage of reduced fares and early registration fees. Staff shall assist councilors in making transportation and lodging arrangements and arrange to have expenses billed directly to the City; contractors shall be chosen by staff, and not by councilors.

While at a conference, councilors or the Mayor shall be expected to attend conference sessions and, within 30 days, issue a written report to share the information and perspectives with the entire City Council. If more than one councilor attends, a consolidated report may be written.

As a general guideline, each councilor is allowed two out-of-state conference trips per fiscal year. If a councilor wishes to make additional trips, the request should be brought to attention of the full Council and should be endorsed by a majority of the Council. This guideline is intended to cover trips made at the discretion of the individual councilor; it is not intended to be applied to trips related to service on national or regional committee, such as a committee of the National League of Cities.

10.07 Overseas Travel

If the Mayor or members of the Council wish to attend a conference or make a Council business-related trip to a destination overseas, this request shall be made in writing well in advance and shall be placed on the Consent Calendar for approval by the Council.

11. ETHICS

11.01 Reporting Requirements in ORS

In accordance with ORS 244.050, the Mayor and all councilors holding office on April 15 shall be required to file an Annual Verified Statement of Economic Interest with the Oregon

Government Standards and Practices Commission on or before that date. The report must be filed on the form prescribed by ORS 244.060. Each year the form shall be sent directly to the elected official by the Commission and should be returned directly to the Commission in Salem. Failure to submit the form by the April 15 deadline may result in the imposition of a civil penalty and/or removal from office.

11.02 Local Code of Ethics

The Charter requires that a code of ethics be enacted. This local code, found in the Eugene Code, places additional conflicts of interest requirements upon elected officials and creates a local process for filing complaints.

12. MEETING AND WORK SESSION SEATING ASSIGNMENTS

The Council shall be assigned seats in January, following the election of the Council president and vice president. The Mayor is always seated at the center position with the Council president seated at the Mayor's right and the Council vice president seated at the Mayor's left.

The remaining councilors shall be assigned seats in alphabetical order by last name. When the Council returns after each Council break, each person moves one seat toward the outside and to the opposite side of the table or dais; those in the outermost seats move to the innermost seats on the opposite side. This system allows councilors the opportunity to regularly change seats throughout a four-year term. Below is a detailed listing of the seating sequence.

JANUARY

Mayor	
President	Vice President
Councilor A1	Councilor B2
Councilor C3	Councilor D4
Councilor E5	Councilor F6

APRIL

Mayor	
President	Vice President
Councilor F6	Councilor E5
Councilor B2	Councilor A1
Councilor D4	Councilor C3

SEPTEMBER

Mayor	
President	Vice President
Councilor C3	Councilor D4
Councilor E5	Councilor F6
Councilor A1	Councilor B2

**CITY COUNCIL COMMITTEE ON INTERGOVERNMENTAL RELATIONS
OPERATING AGREEMENTS
ADOPTED BY THE CITY COUNCIL ON JANUARY 28, 2008**

1. Purpose of Council Committee on Intergovernmental Relations

The Council Committee on Intergovernmental Relations (IGR Committee) exists to make recommendations to the City Council on State and Federal legislative issues and on City applications for funding from outside agencies. At this time, it is the only standing committee of the City Council.

2. Membership

The IGR Committee consists of three City Council members.

The three IGR Committee Council members are appointed annually by the Mayor in the normal course of appointments to various boards and commissions on which City of Eugene elected officials serve. The Mayor will appoint members that represent the City Council's political and ideological diversity.

The Mayor serves as an ex-officio member of the IGR committee.

3. Committee Chair

The IGR Committee shall elect a chair of the committee at the first regularly scheduled meeting after the Mayor has appointed the members to the IGR Committee.

4. Conducting the Business of Meeting

IGR Committee meetings are governed by Roberts Rules of Order, Revised. Like the City Council, the IGR Committee has the obligation to be clear and simple in its procedures and in its consideration of the questions coming before it.

5. Meetings

The IGR Committee meets as needed and generally meets more frequently when the Oregon Legislature is in session. Meetings of the IGR Committee are subject to the requirements of Oregon Public Meetings Law, ORS 192.620. The meetings shall be held within the jurisdictional boundaries of the City.

No IGR Committee meeting shall be held at any place where discrimination on the basis of an individual's race, religion, color, sex, national origin, ethnicity, marital status, familial status, age, sexual orientation, source of income or disability, is practiced.

Advance notice of at least 24 hours shall be provided for all meetings. Notice shall include written notice to all news media that requested notice.

6. Quorum

Two members of the IGR Committee constitute a quorum for the transaction of Committee business. Other members of the City Council may attend meetings of the IGR Committee, but shall have no authority or status to vote on matters considered by the IGR Committee during that meeting.

Unanimous votes of the IGR Committee require 3 votes, not 2 votes, should an IGR Committee member be absent.

An IGR Committee member may designate the Mayor to serve as an alternate in the member's absence.

7. Minutes

Written minutes shall be taken for all IGR Committee meetings in accordance with the Oregon Attorney General's Public Records and Meetings Manual. Minutes must give a true reflection of the matters discussed but need not be a full transcript, verbatim or recording.

8. Process for Sessions of the Oregon Legislature

The Regular Session of the Oregon State Legislature convenes in January of odd numbered years, with a Special Session convening in January of even numbered years. The Regular Session generally lasts for six months with the Special Session lasting for two months. In February 2008, the Oregon legislature convened a Supplemental Session in lieu of the Special Session, lasting for only one month. Supplemental Sessions may be held in subsequent even numbered years.

Preparation for the Regular Session is begun by IGR staff who meet with the members of the IGR Committee and other City departmental staff to outline legislative policies and concepts for the upcoming session based upon City Council goals, priorities, community needs and organizational issues. These concepts, after being vetted by staff and the IGR Committee, are then submitted to the full City Council for review and approval. Once the concepts are approved, they become the basis for the Legislative Policies document that serves as the cornerstone for position and lobbying efforts on particular pieces of legislation during the session.

The Legislative Policies document includes principles and precepts that will help determine the city position on bills. The City of Eugene first adopted a formal set of legislative policies prior to the 1985 session recognizing from past sessions that many staff recommendations were repeated from session to session and that a great percentage of a session's legislative proposals could be anticipated.

9. Process for Introducing Legislation

The City may wish to introduce legislative concepts on its behalf to the legislature. The IGR Committee meets and reviews all proposals for legislation prior to submittal to the Legislature.

Any City staff or elected official interested in introducing legislation prepares a written overview of the purpose of the legislative concept and draft language for review by the IGR Committee. Once the IGR Committee has voted on proposed legislative concepts, the action of the IGR approval.

After the proposed legislative concepts have been reviewed and approved by the full City Council, legislative concepts that have been approved are presented to the Legislature for drafting. The bill, as introduced, is then presented to the IGR Committee under the regular

bill review process.

10. Process for Review and Prioritization of Legislation

The Legislative session is relatively short and as a result, bills can move quickly through the legislative process. Regardless, the City will maintain a neutral position on any bills not yet reviewed by City staff and acted upon by the IGR Committee.

Review by City staff:

Once the bills are introduced, they are assigned by an IGR staff person to the appropriate LC for review.

Legislative Coordinators (LCs) in the appropriate City department analyze all introduced bills that are of interest to or may affect the City. LC staff is determined by each Department.

LC staff turnaround for review and analysis of a bill is expected to be within 10 working days of the assignment of a bill unless the movement of a bill warrants a faster turn-around. In those cases, IGR staff will contact the LC and arrange for a faster review.

If a bill addresses one or more of the policies presented in the Legislative Policies for that session, the particular policy is noted in the LC staff's analysis of the bill.

LC staff will relay both the pros and cons of a bill in their comments as well as any amendments that would make the bill more favorable.

LC will assign each bill a priority and a recommendation.

Legislative advocacy is done on the basis of a priority and recommendation system. LC staff recommends a "support," "oppose," "neutral," "monitor," or "drop" recommendation for all reviewed bills. LC staff also recommends a priority of 1, 2, or 3 on all reviewed bills. The three priority assignments for legislative bills are as follows:

PRIORITY ONE BILLS – The issues addressed by the bill are identified in the City's Legislative Policies document. The bill would have a significant impact on City operations, services, or finances in such ways as to fundamentally impact department administration, organization, personnel, allocation of City resources, or local decision-making, either negatively or positively. The issues addressed by the bill are of significant interest to the City even if they do not directly impact the operations, services, or finances of the City.

Lobby Resource Allocation: Both IGR staff in Salem work on the bill, with a high support level from the legislative coordinator(s) assigned to the bill. The Mayor and/or Council members may testify before committees, possibly with both IGR staff and/or a legislative coordinator. IGR staff contacts all or close to all members of all committees the bill is assigned to. Depending on topic and recommendation, IGR staff will also contact as many legislators as possible prior to public hearings or work sessions. In the event of a floor vote, IGR staff contacts as many legislators as is possible in the 2-5 day period between committee passage and the floor vote. Handouts would be placed in the Capitol mailboxes of all legislators prior to a floor vote.

PRIORITY TWO BILLS – The issues addressed by the bill are identified in the City's Legislative Policies document. The bill would have some impact, although manageable, on City operations, services, or finances and would impact administration, organization,

personnel, allocation of City resources, or local decision-making, either negatively or positively. The issues addressed by the bill are of high interest to the City even if they do not directly impact the operations, services, or finances of the City.

Lobby Resource Allocation: IGR Staff in Salem work closely with legislative coordinators. If the bill is a City specific issue, IGR will testify, with a legislative coordinator if necessary. This, may necessitate the involvement of an executive or expert department staff or the Mayor and/or Council members. If it is an issue less specific to the City, written testimony will be offered. IGR staff will contact members of the bill's committee prior to a bill being passed out of committee. In the event of a floor vote, IGR staff will submit letters to all legislators and try to contact as many of them as possible, starting with our delegation first, and then to legislators we suspect might be "swing votes."

PRIORITY THREE BILLS - The issues addressed by the bill are alluded to in the City's Legislative Policies document or included in other policy document or direction. The bill would have a slight impact on City administration, operations, or services, with potential implications for City finances, either negatively or positively. The bill requires tracking because amendments could elevate bill to Priority One or Priority Two. The issues addressed by the bill are of slight interest to the City even if they do not directly impact the operations, services, or finances of the City.

Lobby Resource Allocation: Depending on recommendation, IGR staff contacts committee members from local delegation, as well as the committee chair or submits written testimony or letter to proper committee, with no further involvement. In the event of a floor vote, IGR staff will submit letters to all legislators.

Review by the IGR Committee:

The bill is placed on the IGR Committee agenda for review as soon as possible after all applicable staff has commented on the bill.

The IGR Committee meets and reviews all bills on the IGR Committee agenda and may pull any or all bills off the agenda for discussion.

Any LC staff that has reviewed and commented on a bill that is pulled for discussion will be prepared to discuss the bill at the IGR Committee meeting.

If a bill is not pulled for discussion, the staff recommendation stands. If a bill is pulled for discussion, the IGR Committee may keep or change the staff recommendation. The IGR may also direct that IGR staff work to amend a bill.

The IGR Committee votes on all bill priorities and recommendations; the votes need not be unanimous – with unanimous being 3 votes.

The actions of the IGR Committee are presented on the full City Council's agenda for review and approval. The minutes of the IGR Committee are ratified by the City Council. Any bill that has been reviewed by the IGR Committee may be pulled for discussion at the request of any councilor or by the Mayor.

11. Status of Positions on Bills until Final Ratification by the City Council

Time demands in the Legislature may not allow for each bill on which the IGR Committee takes a position to be fully vetted by the full City Council before some type of action on the bill needs to occur.

If a position the IGR Committee has taken on a bill is not unanimous, the position on that bill will be neutral until the full City Council weighs in and directs a position. The bill will then be placed on the next available City Council agenda.

Although any bill that has been reviewed by the IGR Committee may be pulled for discussion at the request of any councilor or the Mayor at the City Council meeting, as a matter of practice and courtesy to the members of the Council who do not sit on the IGR Committee, any bill on which the IGR Committee is not in unanimous agreement will be specifically noted.

The City Council can modify the position taken by the IGR Committee on a bill; the final direction to staff on any bill comes from the City Council.

12. Process for Federal Lobbying Efforts

The IGR Committee and IGR staff address Federal lobbying priorities in concert with a number of the City's local governmental partners.

The Federal priorities begin with a review of opportunities for funding in the next Federal budget and goals that are specific to Eugene or the area. The IGR Committee meets and reviews the list of potential priority projects. Potential projects should be those projects which have already gone through the proper authorization channels and are "shovel ready" projects. Once the IGR Committee reviews the list of potential projects, the Committee develops a list of project goals that are considered to be achievable.

After the proposed goals have been vetted by staff, United Front partners, and other community partners, and the IGR Committee, the priorities list is then presented to the full City Council for review and approval.

The final list becomes part of the "United Front" agenda which is presented to the area's congressional representatives, executive department staff, and other potential funding sources in Washington, D.C. The attendees on the lobbying trips typically include the Mayor, chair of the IGR Committee, and appropriate City staff.

13. Grants and Funding Applications

The IGR Committee acts on staff recommendations for grant and other funding applications from outside agencies such as governmental or private entities. This process is intended to help avoid situations in which City departments may inadvertently be competing with each other for funding, and to allow the IGR Committee and City Council to review staff plans for expenditures of grant funds.

City staff interested in seeking funding prepares a written overview of the funding application for review by the IGR Committee at its next regularly scheduled meeting.

If timing is critical and there is no IGR Committee meeting scheduled, the Committee may give its approval via e-mail. IGR staff will keep full and complete records of the documents related to the request for funding, the electronic notification of the request to review and the disposition of the request.

In all cases the IGR Committee and City Council have authority to direct that an application not go forward or if it has already been submitted, that it be withdrawn.

14. Resolution 4908

On April 18, 2007, the City Council adopted Resolution No. 4908, "A Resolution Establishing Policy Governing City Testimony and Funding Requests, and Repealing Resolution No. 4139". This speaks to the issue of testimony before legislative bodies, funding requests and the role of the Council in setting legislative policy. This Resolution is incorporated into this document as Attachment A.

15. City Council Operating Agreements

The operating agreements of the IGR Committee are to be incorporated into the Operating Agreements of the Eugene City Council. As the IGR Committee is a subset of the City Council, any and all process and operating agreements supersede this document. All process and operating agreements of the City Council, by extension and when relevant apply to the IGR Committee.

Attachment A: City of Eugene Resolution 4908.

RESOLUTION NO. 4908

**A RESOLUTION ESTABLISHING POLICY GOVERNING
CITY TESTIMONY AND FUNDING REQUESTS, AND
REPEALING RESOLUTION NO. 4139.**

The City Council of the City of Eugene finds that:

- A.** Under the Eugene Charter, it is the exclusive role of the City Council to set legislative policy for the City.
- B.** On September 13, 1989 the City Council adopted Resolution No. 4139 establishing policy governing testimony and funding requests by City representatives.
- C.** The City Council has determined that Section 7 of Resolution No. 4139 should be repealed.
- D.** The Council finds that Resolution No. 4139 should be repealed in its entirety, and its provisions, other than Section 7, be readopted as hereinafter set forth as City policy governing testimony before the Federal government, the Legislative Assembly of the State of Oregon or its committees, State agencies, or municipal corporations, and submission of funding requests to such entities. As used herein, in addition to the Congress of the United States, references to "Federal government" includes all committees, commissions, departments, agencies, bureaus, and governmental divisions or instrumentalities of the United States.

NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a
Municipal Corporation of the State of Oregon, as follows:**

Section 1. Based upon the above findings, which are adopted herein, Resolution No. 4139, adopted by the Council on September 13, 1989, and any other Resolution in conflict herewith is hereby repealed as of the effective date of this Resolution, and City policy governing testimony and funding requests is established as hereinafter set forth.

Section 2. Any employee or agent of the City, the Mayor or any member of the City Council or any City board or commission desiring to testify in his or her official capacity on legislative or regulatory matters before the State Legislative Assembly, State agencies, municipal corporations, or the Federal government, or desiring to submit funding requests for municipal activities thereto or to any private foundation, shall present the essence of the testimony or funding request to the Council for prior approval, modification, or disapproval.

Section 3. No employee, agent or officer of the City shall testify on legislative or regulatory matters before a governmental entity or request funding from a public or private source in his or her official capacity contrary to the adopted policies of the Council. The Mayor, members of the City Council, and members of City boards or commissions shall not make a

Resolution - 1

funding request contrary to the adopted policies of the Council. No such person shall testify contrary to adopted policies of the Council unless prior to the presentation the speaker submits to the governmental entity a written statement of the City's position and orally acknowledges before speaking that the testimony will be contrary to the City's position. Summaries of all testimony delivered under this section shall be provided to the Council. Each summary shall include a description of the time, place and group before which the statement was made.

Section 4. In the event time pressures do not permit the Council to consider the testimony before the intended time of presentation by a representative of a City board or commission, the person may speak for the board or commission, but must explain that the Council has not considered the issue. Summaries of all testimony under this section shall be provided to the Council.

Section 5. Any officer, employee or agent of the City, the Mayor, or a member of the Council or a City board or commission may take a position before or request funding from administrative staff of State agencies, municipal corporations, the Federal government, or private foundations without prior approval of the Council, but must declare that consideration and approval of the Council has not been obtained if that is the case. This declaration need not be given if the position or funding request presented represents application of previously adopted Council policies with respect to the issue being considered.

Section 6. If the City Manager, or his or her designee determines it is important that the City of Eugene speak on a legislative issue or apply for available funds and the hearing schedule or funding application deadline does not permit prior Council approval, the City Manager or his or her designee is authorized to speak on behalf of the City of Eugene after consultation with the Council Legislative Committee Chair. Summaries of all testimony delivered or funding applications submitted under this section shall be provided to the Council.

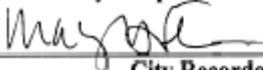
Section 7. This Resolution is not to be construed to abridge the rights of individuals to testify in their own names.

Section 8. The provisions of this Resolution do not apply to testimony before an agency or court in a quasi-judicial or judicial proceeding.

Section 9. Copies of this Resolution shall be distributed to the departments, boards and commissions of the City of Eugene and, as deemed appropriate by the City Manager, to the Federal government, State Legislative Assembly, State agencies, municipal corporations, and private foundations before presentation of testimony or funding requests. The City Manager is directed to take any other necessary administrative action to implement this Resolution.

Section 10. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted the 18th day of April, 2007.



City Recorder

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



A Resolution Approving a Low-Income Rental Housing Property Tax Exemption for Iris Place

Meeting Date: December 14, 2020
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 3E
Staff Contact: Ellen Meyi-Galloway
Contact Telephone Number: 541-682-5532

ISSUE STATEMENT

City Council is asked to approve a resolution for a new 20-year Low-Income Rental Housing Property Tax Exemption (LIRHPTE) for Iris Place, a new affordable housing development on River Road. The developer of the project is Iris Place LP, with the sole general partner being St. Vincent de Paul Society of Lane County, Inc. (St. Vincent de Paul). The property will be targeted to very low-income renters.

BACKGROUND

The City adopted the LIRHPTE program in 1990. Since the adoption of the program, Eugene has approved tax exemptions for 33 affordable housing developments with over 1,400 units. Council unanimously approved extending the 20-year LIRHPTE program for an additional ten years in 2020. The ordinance also enables recipients to reapply for the 20-year LIRHPTE after the initial 20-year period has expired. Council reviews each LIRHPTE request on a case-by-case basis. Most recently, Council approved a new LIRHPTE for the 11th and Lincoln development in December 2018 and a LIRHPTE renewal for Oakwood Manor in January 2020.

Projects must meet ten criteria including requirements for rents and incomes limited to households with incomes at or below 60 percent of area median income (AMI). If an application meets the substantive criteria [EC 9.239(3)(a)-(i)] as referenced in the Report and Recommendation (Attachment A), the City must grant the exemption by resolution (Attachment B). A decision to deny the exemption cannot be made by simple motion or inaction; it would need to be made by a resolution (Attachment C) that explains how the applicant has failed to demonstrate that the tax exemption is in the public interest.

Summary of requested tax exemption

The requested tax exemption is for Iris Place (formerly called River Road Affordable Housing), a 52-unit affordable housing development in the River Road neighborhood (map in Attachment D). The City acquired the property in 2016, and City Council selected St. Vincent de Paul's proposal to develop the property in 2019. The property was transferred to St. Vincent de Paul and construction began in August 2020. The development will provide 52 one-, two- and three-bedroom units, targeted to very low-income households including five units for survivors of domestic violence. The development will include an on-site manager unit, a community building,

Dec. 14, 2020, Meeting – Item 3E

laundry facilities, offices, meeting rooms and common area.

The developer received 9% Low-Income Housing Tax Credits (LIHTC) and gap development funds through the State of Oregon, and a private bank loan to finance affordable housing development. Eugene Water and Electric Board also provided some development subsidies. In addition to the property, the City awarded the development \$725,000 in HOME funds and \$265,000 in Systems Development Charge exemptions to assist with construction costs in 2019. The apartments would not be able to achieve their proposed ongoing level of affordability without the City property tax exemption.

The requested exemption meets the substantive criteria [EC 9.239(3)(a)-(i)] as shown in the Report and Recommendation (Attachment A). No public comments were received during the public comment period.

PREVIOUS COUNCIL DIRECTION

[May 26, 2020](#) – City Council adopted an update to the LIRHPTE code, extending the program for ten years to June 30, 2030.

[January 14, 2019](#) – City Council considered the proposals for development of the City-owned land bank site and selected St. Vincent de Paul as the developer.

[November 9, 2015](#) – City Council voted to acquire the property for future affordable housing development.

COUNCIL OPTIONS

The City Council has two options:

1. Approve the tax exemption.
2. Deny the tax exemption.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends adoption of the resolution included in Attachment B approving a Low-Income Rental Housing Property Tax Exemption for Iris Place.

SUGGESTED MOTION

Move to adopt A Resolution Approving a Low-Income Rental Housing Property Tax Exemption for Iris Place.

ATTACHMENTS

- A. Report and Recommendation
- B. Draft Resolution Approving the Tax Exemption
- C. Draft Resolution Denying the Tax Exemption
- D. Map of the proposed site

FOR MORE INFORMATION

Staff Contact: Ellen Meyi-Galloway

Telephone: 541-682-5532

Staff E-Mail: EMeyi-Galloway@eugene-or.gov

**REPORT AND RECOMMENDATION
of the Community Development Manager
of the Planning and Development Department**

**Application of St. Vincent de Paul Society of Lane County, Inc.
For Low-Income Rental Housing Property Tax Exemption
(Section 2.937 to 2.940 of the Eugene Code, 1971)
for Property on River Road, Eugene, Oregon**

The Community Development Manager of the Planning and Development Department of the City of Eugene finds that:

1. Iris Place Limited Partnership, with sole general partner St. Vincent de Paul Society of Lane County, Inc. owns real property located on River Road, Eugene, Oregon, 97404 (Assessor's Map 17-04-13-33; Tax Lots 100, 200, 300, and 400; Assessor's Property Account Nos. 0379816, 0379824, 0379832, 0379840, respectively) for the purpose of developing low income rental housing. St. Vincent de Paul Society of Lane County, Inc., ("the applicant"), located at 2890 Chad Drive, Eugene, Oregon 97408, has submitted an application for an exemption from ad valorem taxes under the City's Low-Income Rental Housing Property Tax Exemption Program (Sections 2.937 to 2.940 of the Eugene Code, 1971) for 52 low-income rental housing units, as well as a Manager's unit and residential common areas.

2. I have reviewed the application and find that the applicant has submitted all required materials and is in compliance with the provisions of EC 2.939(3) and Sections 2.1 through 2.9 of the Standards and Guidelines adopted by Resolution No. 5297. Specifically I find:

- (a) The property, or portion thereof subject to the property tax exemption, will be occupied solely as a residence for low-income persons.
- (b) The applicant's application was filed prior to July 1, 2030.
- (c) The property is owned by a nonprofit corporation organized in a manner that meets the criteria for a public benefit corporation as described under ORS 65.001(38).
- (d) The property is owned by a nonprofit corporation that expends no more than ten percent of its annual income from residential rentals for purposes other than acquisition, maintenance or repair of residential rental property for low-income persons, or for the provision of on-site child care services for the residents of the rental property.
- (e) The applicant has complied with the policies set forth in Section 5 of the Standards and Guidelines for Low-Income Rental Housing Property Tax Exemption adopted by council Resolution No. 5297 (Standards and Guidelines).
- (f) The proposed development is consistent with the city's Housing Dispersal

- Policy.
- (g) The proposed development does not cause the displacement of low-income persons.
 - (h) The proposed development does not cause destruction of historic properties.
 - (i) The proposed development is otherwise consistent with the Eugene Code and adopted city regulations and policies.
 - (j) The applicant has executed, and agrees to maintain in effect for the duration of the tax exemption period, a Rent Regulatory Agreement as described in Section 5.1 of the Standards and Guidelines.
 - (k) The applicant has consented in writing that for the duration of the tax exemption period, the city may inspect the property for which the exemption is granted to insure that the premises are maintained in decent, safe and sanitary conditions for the occupants.

3. Comments have been solicited from interested City departments, 4J School District, and the affected neighborhood group. No public comments were received.

Therefore, based on the above findings, the proposed project conforms with all applicable City Code provisions, local plans, planning regulations, the Envision Eugene Plan, and the criteria set forth in the City's adopted Standards and Guidelines for Low-Income Rental Housing Property Tax Exemption, and I recommend that the application be approved.

Dated this 30th day of November, 2020.

Print: Amanda Nobel Flannery Sign: 
Amanda Nobel Flannery (Nov 30, 2020 11:45 PST)

AIC Community Development Manager of the Planning and Development Department 
ns

RESOLUTION NO. _____

A RESOLUTION APPROVING A LOW-INCOME RENTAL HOUSING PROPERTY TAX EXEMPTION FOR PROPERTY LOCATED ON RIVER ROAD, EUGENE, OREGON (ASSESSOR'S MAP 17-04-13-33, TAX LOTS 100, 200, 300, AND 400; ASSESSOR'S PROPERTY ACCOUNT NOS. 0379816, 0379824, 0379832, AND 0379840) (APPLICANT ST. VINCENT DE PAUL SOCIETY OF LANE COUNTY, INC.)

The City Council of the City of Eugene finds that:

A. Iris Place Limited Partnership is the owner of real property located on River Road, Eugene, Oregon, 97404 (Assessor's Map 17-04-13-33, Tax Lots 100, 200, 300, and 400; Assessor's Property Account Nos. 0379816, 0379824, 0379832, and 0379840), more particularly described in Exhibit A attached to this Resolution.

B. St. Vincent de Paul Society of Lane County, Inc. (2890 Chad Drive, Eugene, Oregon, 97408) (the applicant) has submitted an application for a low-income housing exemption from ad valorem taxes beginning July 1, 2021, under the City's Low-Income Rental Housing Property Tax Exemption Program (EC 2.937 to 2.940).

C. The applicant is the sole general partner in the Iris Place Limited Partnership and will be responsible for the day-to-day operation of the property that is the subject of this low-income rental housing property tax exemption. The applicant is a nonprofit public benefit corporation as defined in ORS 65.001; therefore, Iris Place Limited Partnership qualifies as a nonprofit corporation under ORS 307.518(4) for purposes of the low-income rental housing property tax exemption.

D. The tax exemption being sought for the property includes 11 one-bedroom units, 17 two-bedroom units, 24 three-bedroom units (for a total of 52 low-income rental units), as well as a Manager's unit and residential common areas. The applicant is seeking the tax exemption for the entire property.

E. The Community Development Manager of the Planning and Development Department, as designee of the City Manager, has prepared a Report and Recommendation recommending that the application be approved and the exemption granted. In making that recommendation, the Community Development Manager found that the applicant submitted all materials, documents and fees required by Section 2.938 of the Eugene Code, 1971 (EC), and is in compliance with the policies set forth in Section 5 of the Standards and Guidelines adopted by Resolution No. 5297. In addition, the Community Development Manager found that the applicant has complied with the criteria for approval provided in EC 2.939(3), and the eligibility requirements at Section 2.10 of the Standards and Guidelines adopted by Resolution No. 5297.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Based upon the above findings, the City Council approves the application of St. Vincent de Paul Society of Lane County, Inc. for an ad valorem property tax exemption under the City's Low-Income Rental Housing Property Tax Exemption Program for the property identified as Assessor's Map 17-04-13-33, Tax Lots 100, 200, 300, and 400; Assessor's Property Account Nos. 0379816, 0379824, 0379832, and 0379840, and more particularly described on Exhibit A attached to this Resolution, which includes 11 one-bedroom units, 17 two-bedroom units, 24 three-bedroom units (for a total of 52 low-income rental units), as well as a Manager's unit and residential common areas.

Section 2. The land and units described in Section 1 above are declared exempt from local ad valorem property taxation commencing July 1, 2021, and continuing for a continuous period of 20 years unless earlier terminated in accordance with the provisions of Section 2.940 of the Eugene Code, 1971, which provides for termination after an opportunity to be heard if:

2.1 Construction or development of the exempt property differs from the construction or development described in the application for exemption, or was not completed by July 1, 2030, and no extensions or exceptions were granted; or

2.2 The applicant fails to comply with provisions of ORS 307.515 to 307.523, provisions of the Eugene Code, 1971, the Standards and Guidelines adopted by Council Resolution No. 5297, or any conditions imposed in this Resolution.

The tax exemption shall be terminated immediately, without right of notice or appeal, pursuant to the provisions of ORS 307.531 in the event that the county assessor determines that a change of use to other than that allowed has occurred for the housing units, or portion thereof, or, if after the date of this approval, a declaration as defined in ORS 100.005 is presented to the county assessor or tax collector for approval under ORS 100.110.

Section 3. The City Manager, or the Manager's designee, is requested to forward a copy of this Resolution to the applicant within 10 days from the date of adoption of this Resolution, and to cause a copy of this Resolution to be filed with the Lane County Assessor on or before April 1, 2021. The copy of the Resolution sent to the applicant shall be accompanied by a notice explaining the grounds for possible termination of the exemption prior to the end of the exemption period and the effects of the termination.

Section 4. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted the _____ day of December, 2020.

City Recorder

RESOLUTION NO. _____

A RESOLUTION DENYING A LOW-INCOME RENTAL HOUSING PROPERTY TAX EXEMPTION FOR PROPERTY LOCATED ON RIVER ROAD, EUGENE, OREGON (ASSESSOR'S MAP 17-04-13-33, TAX LOTS 100, 200, 300, AND 400; ASSESSOR'S PROPERTY ACCOUNT NOS. 0379816, 0379824, 0379832, AND 0379840) (APPLICANT ST. VINCENT DE PAUL SOCIETY OF LANE COUNTY, INC.)

The City Council of the City of Eugene finds that:

A. Iris Place Limited Partnership is the owner of real property located on River Road, Eugene, Oregon, 97404 (Assessor's Map 17-04-13-33, Tax Lots 100, 200, 300, and 400; Assessor's Property Account Nos. 0379816, 0379824, 0379832, and 0379840), more particularly described in Exhibit A attached to this Resolution.

B. St. Vincent de Paul Society of Lane County, Inc. (2890 Chad Drive, Eugene, Oregon, 97408) (the applicant) has submitted an application for a low-income housing exemption from ad valorem taxes beginning July 1, 2021, under the City's Low-Income Rental Housing Property Tax Exemption Program (EC 2.937 to 2.940).

C. The applicant is the sole general partner in the Iris Place Limited Partnership and will be responsible for the day-to-day operation of the property that is the subject of this low-income rental housing property tax exemption. The applicant is a nonprofit public benefit corporation as defined in ORS 65.001; therefore, Iris Place Limited Partnership qualifies as a nonprofit corporation under ORS 307.518(4) for purposes of the low-income rental housing property tax exemption.

D. The tax exemption being sought for the property includes 11 one-bedroom units, 17 two-bedroom units, 24 three-bedroom units (for a total of 52 low-income rental units), as well as a Manager's unit and residential common areas. The applicant is seeking the tax exemption for the entire property.

E. The Community Development Manager of the Planning and Development Department, as designee of the City Manager, has prepared a Report and Recommendation recommending that the application be approved and the exemption granted. In making that recommendation, the Community Development Manager found that the applicant submitted all materials, documents and fees required by Section 2.938 of the Eugene Code, 1971 (EC), and is in compliance with the policies set forth in Section 5 of the Standards and Guidelines adopted by Resolution No. 5297. In addition, the Community Development Manager found that the applicant has complied with the criteria for approval provided in EC 2.939(3), and the eligibility requirements at Section 2.10 of the Standards and Guidelines adopted by Resolution No. 5297.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

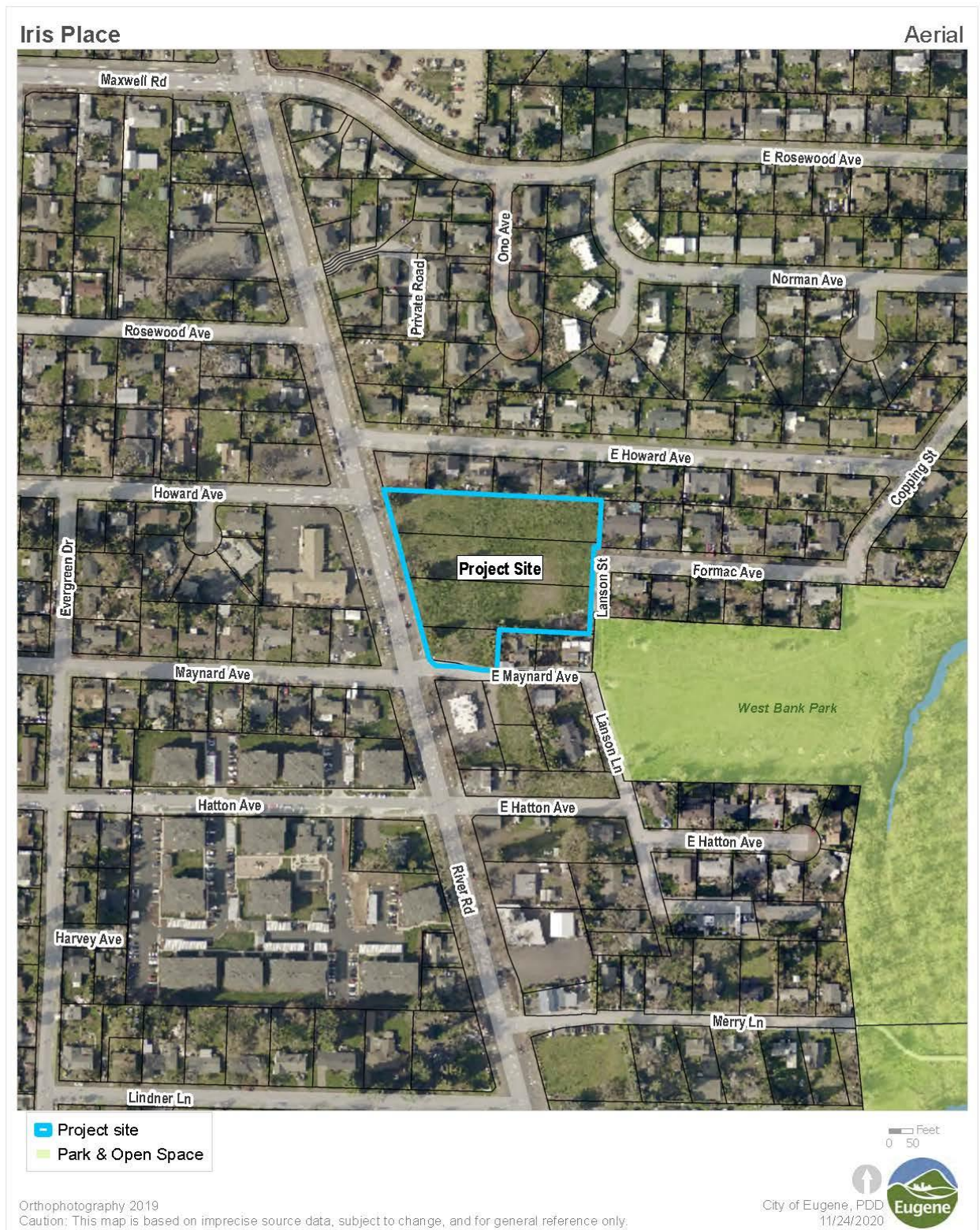
Section 1. Notwithstanding the findings in the Community Development Manager's Report and Recommendation, the City Council denies the application of St. Vincent de Paul Society of Lane County, Inc. for an ad valorem property tax exemption under the City's Low-Income Rental Housing Property Tax Exemption Program for the property identified as Assessor's Map 17-04-13-33, Tax Lots 100, 200, 300, and 400; Assessor's Property Account Nos. 0379816, 0379824, 0379832, and 0379840, and more particularly described on Exhibit A attached to this Resolution, because the applicant has failed to demonstrate satisfactory compliance with the criteria in Section 2.939(3) of the Eugene Code, 1971.

Section 2. The City Manager, or the Manager's designee, is requested to forward a copy of this Resolution to the applicant within ten days from the date of adoption of this Resolution, along with a notice informing the applicant of the right to appeal in the manner set forth in ORS 34.010 to 34.100.

Section 3. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted the ____ day of December, 2020.

City Recorder





EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Public Forum

Meeting Date: December 14, 2020
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 4
Staff Contact: Beth Forrest
Contact Telephone Number: 541-682-5882

ISSUE STATEMENT

This segment allows citizens the opportunity to express opinions and provide information to the council. Testimony presented during the Public Forum should be on city-related issues and should not address items which have already been heard by a Hearings Official or are on the present agenda as a public hearing item.

SUGGESTED MOTION

No action is required; this is an informational item only.

FOR MORE INFORMATION

Staff Contact: Beth Forrest
Telephone: 541-682-5882
Staff E-Mail: bforrest@eugene-or.gov

EUGENE URBAN RENEWAL AGENCY

AGENDA ITEM SUMMARY



Action: Resolution Acknowledging Receipt of the Annual Financial Report of the Urban Renewal Agency of the City of Eugene for the Fiscal Year Ended June 30, 2020

Meeting Date: December 14, 2020
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 5
Staff Contact: Ying Li
Contact Telephone Number: 541-682-5026

ISSUE STATEMENT

This is a resolution acknowledging receipt of the Annual Financial Report (Report) of the Urban Renewal Agency (Agency) of the City of Eugene for the fiscal year ended June 30, 2020. This resolution demonstrates compliance with ORS 297.465(2), which requires that a copy of the Agency's financial report, containing a signed expression of opinion, be furnished to each member of the governing body. The resolution is included as Attachment A.

BACKGROUND

Under Oregon Municipal Audit Law, the Agency is required each fiscal year to contract with an authorized accounting firm for the audit of its accounts and fiscal affairs (ORS 297.425). The regional firm of Isler CPA (auditors) has completed the audit of the Agency's annual financial report for the fiscal year ended June 30, 2020 and issued an unmodified opinion (also known as a "clean opinion") on the basic financial statements.

The key components of the audit results are the two auditors' reports on pages 3-5 and pages 43-44. In the first report, the auditors have issued an unmodified on the Agency's basic financial statements, indicating that the Agency has prepared the statements in conformity with generally accepted accounting principles (GAAP). GAAP for state and local governments is promulgated by the Governmental Accounting Standards Board to ensure consistency in accounting and comparability in financial reporting among state and local governments. A clean opinion is a fundamental financial goal for every government, as it represents the highest level of opinion a government can receive from its independent auditors. A clean opinion is an important indicator of sound financial management and creditworthiness to the citizens, other governmental jurisdictions (state and federal), credit rating agencies, investment bankers, bond holders, and other private sector entities. For policy makers, a clean opinion means that the information in the Annual Financial Report is accurate and reliable.

In the second report, the auditors address the Agency's compliance with applicable provisions of Oregon Revised Statutes including requirements related to debt, deposit of public funds, preparation and adoption of the budget, accounting records and related internal control structure, etc. The auditors noted that nothing came to their attention that caused them to believe that the Agency was not in compliance with state regulations. The auditors conduct the audit of the

Agency's basic financial statements in accordance with generally accepted auditing standards and the Minimum Standards for Audits of Oregon Municipal Corporations.

Management is responsible for the information contained in, and the preparation of, the Agency's financial statements. To effectively fulfill this responsibility and to contain the cost of auditor services, staff devotes significant effort to the closing of accounting records, the preparation of schedules and audit work papers, and the production of the Annual Financial Report. This also results in staff expertise being developed on specific financial and service issues that can then be used to assist departments and other pertinent parties.

AGENCY DIRECTOR'S RECOMMENDATION

The Agency Director recommends adoption of the Resolution.

SUGGESTED MOTION

Move to approve a resolution acknowledging receipt of the Annual Financial Report for the Urban Renewal Agency of the City of Eugene for the fiscal year ended June 30, 2020.

ATTACHMENTS

- A. URA Financial Report
- B. Resolution

FOR MORE INFORMATION

Staff Contact: Ying Li
Telephone: 541-682-5026
Staff E-Mail: YLi@eugene-or.gov

URBAN RENEWAL AGENCY

A Component Unit of the City of Eugene, Oregon

Annual Financial Report



**Fiscal Year Ended
June 30, 2020**

URBAN RENEWAL AGENCY

A Component Unit of the City of Eugene, Oregon

Annual Financial Report

Fiscal Year Ended June 30, 2020

(With Independent Auditor's Report Thereon)

Report Prepared by the City of Eugene
Finance Division

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URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Annual Financial Report

Year Ended June 30, 2020

Table of Contents

	<u>Exhibit/ Schedule</u>	<u>Page(s)</u>
Principal Officials		1
Independent Auditor's Report		3 - 5
Management's Discussion and Analysis		7 - 11
Basic Financial Statements:		
<i>Government-wide Financial Statements:</i>		
Statement of Net Position	1	15
Statement of Activities	2	16
<i>Fund Financial Statements:</i>		
Balance Sheet - Governmental Funds	3	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	4	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	5	19
Notes to Basic Financial Statements		21 - 28
Required Supplementary Information:		
<i>Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:</i>		
General Fund	A – 1	31
Riverfront Special Revenue Fund	A – 2	32
Other Supplementary Information:		
<i>Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:</i>		
Debt Service Fund	B – 1	35
Capital Projects Fund	B – 2	36
Riverfront Capital Projects Fund	B – 3	37
Riverfront Program Revenue Fund	B – 4	38

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Annual Financial Report

Year Ended June 30, 2020

Table of Contents, continued

	<u>Exhibit/ Schedule</u>	<u>Page(s)</u>
Audit Comments and Disclosures:		
Independent Auditor's Report Required by Oregon State Regulations		43 - 44

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Principal officials as of June 30, 2020

	<u>Name</u>	<u>Term Expires</u>
Mayor:	Lucy Vinis	January 2021
Board Members:	Emily Semple	January 2021
	Betty Taylor	January 2021
	Alan Zelenka	January 2023
	Jennifer Yeh	January 2023
	Mike Clark	January 2023
	Greg Evans	January 2023
	Claire Syrett	January 2021
	Chris Pryor	January 2021
Director:	Sarah Medary	

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor, Members of the Urban
Renewal Agency Board and Administrator of the
Urban Renewal Agency of the City of Eugene, Oregon

1976 Garden Ave.
Eugene, OR 97403
541.342.5161
www.islercpa.com

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund and the aggregate remaining fund information of the Urban Renewal Agency of the City of Eugene, Oregon ("Urban Renewal Agency") (a component unit of the City of Eugene, Oregon) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Urban Renewal Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Urban Renewal Agency as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis ("MD&A") and the budgetary comparison information for the General Fund and Riverfront Special Revenue Fund on pages 31 and 32 be presented to supplement the basic financial statements. The MD&A, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the MD&A in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the MD&A because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Urban Renewal Agency's basic financial statements. The budgetary comparison information for the General Fund and Riverfront Special Revenue Fund are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Urban Renewal Agency's basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements.

This information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on other Legal and Regulatory Requirements

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 25, 2020 on our consideration of the Urban Renewal Agency's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

ISLER CPA

A handwritten signature in black ink that reads "Paul R. Nielson". The signature is written in a cursive, flowing style.

By: Paul Nielson, CPA, a member of the firm
Eugene, Oregon
November 25, 2020

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Management's Discussion and Analysis

The management of the Urban Renewal Agency (Agency), a component unit of the City of Eugene, Oregon (City) presents this narrative overview and analysis to facilitate both a short and a long-term analysis of the financial activities of the Agency for the fiscal year ended June 30, 2020 (FY20). This Management's Discussion and Analysis (MD&A) is based on currently known facts, decisions, and conditions that existed as of the date of the independent auditor's report. For project level and general Agency background information, see the City's FY20 adopted budget.

Financial Highlights

- The Agency's total assets at June 30, 2020 increased \$6.6 million from \$28.4 million to \$35.0 million. The increase was largely due to a \$2.6 million increase in cash and investments and an increase of \$4.0 million in capital assets.
- The Agency's total liabilities at June 30, 2020 increased \$3.2 million from \$0.3 million to \$3.5 million. The increase was primarily due to a loan of \$2.0 million from another government and increases in accounts payable and due to other governments.
- The net position of the Agency (assets less liabilities) at June 30, 2020 increased \$3.4 million from \$28.1 million to \$31.5 million. Of this amount, \$22.8 million was unrestricted, subject to Agency fund limitations.
- At June 30, 2020, the Agency's governmental funds combined ending fund balances was \$20.2 million. All of this fund balance is available for spending at the Agency's discretion, subject to fund limitations.
- The General Fund's fund balance was \$3.8 million at the end of FY20. General Fund expenditures for FY20 were \$2.7 million. The General Fund contains operations for the Downtown District.

Overview of the Financial Statements

The following discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The Statement of Activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. Examples of such items include earned, but uncollected, property taxes.

The Agency is comprised of two separate urban renewal districts in the City of Eugene - the Downtown District and the Riverfront District. It focuses on planning and development activities within the boundaries for the two districts. Both government-wide financial statements provide information on these activities, which is supported mainly by property taxes.

The government-wide financial statements can be found on Exhibits 1 and 2 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Agency are governmental funds.

Governmental funds. Governmental funds are used to account for activities where emphasis is placed on available financial resources, rather than upon net income determination. Therefore, unlike the government-wide financial statements, governmental fund financial statements focus on the acquisition and use of current spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations can be found on Exhibits 3 and 5 of this report.

The Agency maintains two taxing districts: the Downtown District and the Riverfront District. The Agency maintains six individual governmental funds to account for these two districts: a general fund, a debt service fund, and a capital projects fund for the Downtown District; and a special revenue operating fund, a program revenue fund, and a capital projects fund for the Riverfront District. Each fund is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances. For narrative on the funds and projects see the Urban Renewal Agency section of the City's adopted budget.

The basic governmental fund financial statements can be found on Exhibits 3 and 4 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. They are an integral part of the financial statements and should be read in conjunction with them.

Required supplementary information. The Agency adopts an annual appropriated budget for all its funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided for the General Fund and the Riverfront Special Revenue Fund as required supplementary information.

Government-wide Financial Analysis

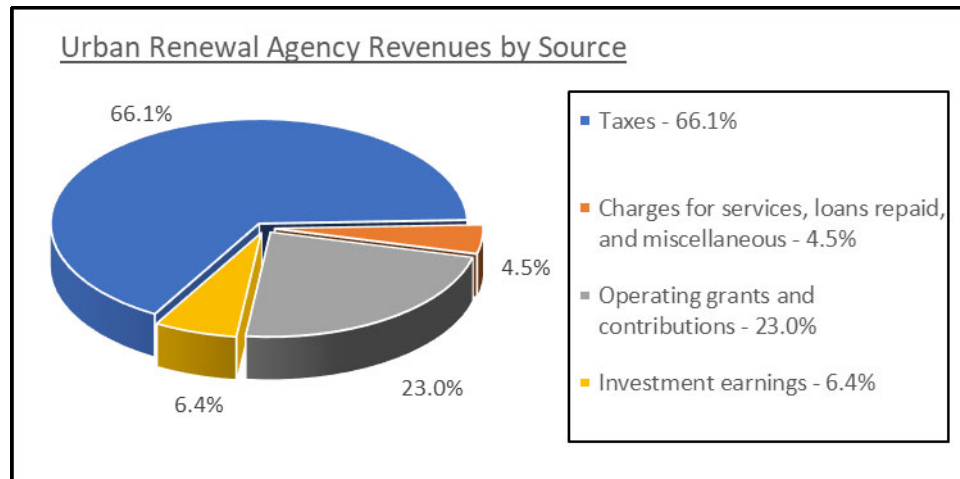
The Agency's assets exceeded liabilities by \$31.5 million at the close of the most recent fiscal year compared to a net position of \$28.1 million in the previous year.

A portion of the Agency's net position (27.8%) reflects its investment in capital assets. The Agency uses these capital assets to plan and develop designated properties within the urban renewal district boundaries. Consequently, these assets are not available for future spending. The remaining balance of net position (\$22.8 million) may be used to meet the government's ongoing obligations, in accordance with the Urban Renewal Plans of the two districts and subject to fund limitations.

Urban Renewal Agency's Net Position		
	<u>2020</u>	<u>2019</u>
Current and other assets	\$ 26,217,131	23,659,308
Capital assets	8,757,081	4,719,547
Total assets	<u>34,974,212</u>	<u>28,378,855</u>
Current and other liabilities	<u>3,453,519</u>	<u>268,239</u>
Total liabilities	<u>3,453,519</u>	<u>268,239</u>
Net position:		
Invested in capital assets	8,757,081	4,719,547
Unrestricted	22,763,612	23,391,069
Total net position	<u>\$ 31,520,693</u>	<u>28,110,616</u>

Urban Renewal Agency's Change in Net Position		
	<u>2020</u>	<u>2019</u>
Revenues:		
Program revenues:		
Charges for services, loans repaid, and miscellaneous	\$ 348,637	3,545,604
Capital grants and contributions	0	70,691
Operating grants and contributions	1,801,786	0
General revenues:		
Taxes	5,179,486	4,792,011
Investment earnings	504,438	559,079
Total revenues	<u>7,834,347</u>	<u>8,967,385</u>
Expenses:		
Urban renewal redevelopment	<u>4,424,270</u>	<u>3,865,109</u>
Total expenses	<u>4,424,270</u>	<u>3,865,109</u>
Net position, July 1	<u>28,110,616</u>	<u>23,008,340</u>
Net position, June 30	<u>\$ 31,520,693</u>	<u>28,110,616</u>

Note: Program revenue in FY19 included a significant gain on the sale of land held for resale in the amount of \$3.0 million.



Fund-based Financial Analysis

As previously discussed, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Agency's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Agency's financing requirements. In particular, spendable fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Agency reported combined ending fund balances of \$20.2 million. All of which is available for spending at the Agency's discretion, subject to Agency Board approvals and fund limitations.

The General Fund is the chief operating fund of the Agency and houses fiber implementation and operations for the Downtown District, including the non-tax increment revenue and expenditures associated with the Downtown Loans program, which provides loans to property owners and businesses in the plan area. At the end of the current fiscal year, the total fund balance was \$3.8 million, all of which was available to spend.

In FY20, the Agency had two significant transactions. The Riverfront Capital Projects Fund spent \$5.2 million during FY20 on the Riverfront redevelopment, including design and construction of both park and infrastructure, and continued Railroad Quiet Zone design. Also, the Downtown General Fund recorded a \$1.1 million increase in due from other governments for the Downtown High-Speed Fiber federal grant.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was an increase of \$7.0 million, which primarily consisted of an increase of \$5.9 million to the Riverfront Capital Projects Fund for infrastructure improvements to the Riverfront redevelopment project.

Capital Assets

Capital assets. The City maintains all of its assets, including those of the Agency. The Agency's investment in capital assets for its governmental activities as of June 30, 2020 amounted to \$8,757,081.

Urban Renewal Agency's Capital Assets, Net of Accumulated Depreciation		
	2020	2019
Land	\$ 4,574,993	4,574,993
Work in process	4,182,088	144,554
Total capital assets	\$ 8,757,081	4,719,547

Additional information on the Agency's capital assets can be found in note (4)(C) of this report.

Next Year's Budgets and Rates

For FY21, the following assumptions were used when developing the urban renewal budgets:

- Property taxes in both the Downtown and Riverfront Districts are predicted to increase due to a projected increase in the assessed value of properties in the districts.
- The property tax collection rate for both districts is estimated to be 93.0% in FY21, which is lower than previous years due to the economic downturn caused by the COVID-19 pandemic. The FY20 collection rate was 95.3% for both the Riverfront and Downtown Districts.

The Downtown District FY21 budget includes loan program management, completion of project scoping for Parks Block and Farmers Market, completion of high speed fiber implementation, and general oversight.

The Riverfront District FY21 budget includes funding for the Riverfront redevelopment including the park, infrastructure for phase 1, initial concept design of the plaza, railroad quiet zone, high speed fiber implementation, wayfinding, and general oversight.

Requests for Information

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest in the Agency. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to:

Fionan Cronin, CPA
Assistant Finance Director
City of Eugene
100 West 10th Avenue, Suite 400
Eugene, Oregon 97401

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BASIC FINANCIAL STATEMENTS

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Statement of Net Position

June 30, 2020

(amounts in dollars)

AssetsCurrent Assets

Equity in pooled cash and investments	19,270,604
Receivables (net of allowance)	2,545,070
Due from other governments	1,342,658
Total current assets	23,158,332

Noncurrent assets

Assets held for resale	3,058,799
Capital assets:	
Work in Process	4,182,088
Land	4,574,993
Total noncurrent assets	11,815,880
Total assets	34,974,212

LiabilitiesCurrent liabilities

Accounts payable and other liabilities	597,790
Due to other governments	855,729
Total current liabilities	1,453,519

Noncurrent liabilities

Advances from other governments	2,000,000
Total noncurrent liabilities	2,000,000
Total liabilities	3,453,519

Net position

Invested in capital assets	8,757,081
Unrestricted	22,763,612
Total net position	31,520,693

The accompanying notes are an integral part of the financial statements.

Statement of Activities

For the fiscal year ended June 30, 2020

(amounts in dollars)

	Program Revenues				Net Expense and Changes in Net Position
	<u>Expenses</u>	<u>Charges for services, loans repaid, and miscellaneous</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<u>Functions/Programs</u>					<u>Total</u>
<u>Governmental activities:</u>					
Urban renewal redevelopment	4,424,270	348,637	1,801,786	0	(2,273,847)
Total governmental activities	4,424,270	348,637	1,801,786	0	(2,273,847)
General revenues:					
Property taxes					5,179,486
Unrestricted investment earnings					504,438
Total general revenues					5,683,924
Change in net position					3,410,077
Net position, July 1, 2019					28,110,616
Net position, June 30, 2020					31,520,693

The accompanying notes are an integral part of the financial statements.

Balance Sheet*Governmental Funds*

June 30, 2020

(amounts in dollars)

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Riverfront Special Revenue</u>	<u>Riverfront Capital Projects</u>	<u>Riverfront Program Revenue</u>	<u>Total Governmental Funds</u>
<u>Assets</u>							
Equity in pooled cash and investments	3,304,314	3,721,069	190,769	1,146,958	4,284,226	6,623,266	19,270,602
Receivables:							
Interest	7,746	16,923	0	12,446	0	0	37,115
Taxes	0	90,337	0	87,449	0	0	177,786
Accounts	151,740	0	0	0	0	0	151,740
Loans and notes	2,452,146	0	0	0	0	0	2,452,146
Allowance for uncollectibles	(145,860)	0	0	0	0	0	(145,860)
Due from other governments	1,321,544	10,490	0	10,624	0	0	1,342,658
Assets held for resale	0	0	0	0	3,058,799	0	3,058,799
Total assets	7,091,630	3,838,819	190,769	1,257,477	7,343,025	6,623,266	26,344,986
<u>Liabilities</u>							
Accounts payable	13,060	0	0	11,890	572,840	0	597,790
Advances from other governments	0	0	0	0	2,000,000	0	2,000,000
Due to other governments	834,964	0	0	434	20,331	0	855,729
Total liabilities	848,024	0	0	12,324	2,593,171	0	3,453,519
<u>Deferred inflows of resources</u>							
Unavailable revenue	2,452,146	107,260	0	99,894	0	0	2,659,300
Total deferred inflows of resources	2,452,146	107,260	0	99,894	0	0	2,659,300
<u>Fund balances</u>							
Restricted	3,791,460	3,731,559	190,769	1,145,259	4,749,854	6,623,266	20,232,167
Total fund balances	3,791,460	3,731,559	190,769	1,145,259	4,749,854	6,623,266	20,232,167
Total liabilities, deferred inflows of resources, and fund balances	7,091,630	3,838,819	190,769	1,257,477	7,343,025	6,623,266	

Reconciliation to the Statement of Net Position:

The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds.

2,531,445

Capital assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value.

8,757,081

Total net position

31,520,693

The accompanying notes are an integral part of the financial statements.

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the fiscal year ended June 30, 2020

(amounts in dollars)

	General	Debt Service	Capital Projects	Riverfront Special Revenue	Riverfront Capital Projects	Riverfront Program Revenue	Total Governmental Funds
Revenues							
Taxes	0	2,477,208	0	2,679,975	0	0	5,157,183
Intergovernmental	1,144,079	0	0	0	657,707	0	1,801,786
Charges for services	156,028	0	0	0	0	0	156,028
Repayment of revolving loans	81,094	0	0	0	0	0	81,094
Miscellaneous, primarily interest	106,346	127,941	4,520	52,906	66,520	148,203	506,436
Total revenues	1,487,547	2,605,149	4,520	2,732,881	724,227	148,203	7,702,527
Expenditures							
Current - departmental:							
Urban renewal program expenditures	2,660,155	0	0	630,037	0	0	3,290,192
Capital outlay	0	0	0	0	5,171,612	0	5,171,612
Total expenditures	2,660,155	0	0	630,037	5,171,612	0	8,461,804
Excess (deficiency) of revenues over expenditures	(1,172,608)	2,605,149	4,520	2,102,844	(4,447,385)	148,203	(759,277)
Other financing sources (uses)							
Transfers in	2,453,688	0	0	0	2,500,000	3,203,333	8,157,021
Transfers out	0	(2,453,688)	0	(2,500,000)	(3,203,333)	0	(8,157,021)
Total other financing sources (uses)	2,453,688	(2,453,688)	0	(2,500,000)	(703,333)	3,203,333	0
Net change in fund balances	1,281,080	151,461	4,520	(397,156)	(5,150,718)	3,351,536	(759,277)
Fund balance, July 1, 2019	2,510,380	3,580,098	186,249	1,542,415	9,900,572	3,271,730	20,991,444
Fund balance, June 30, 2020	3,791,460	3,731,559	190,769	1,145,259	4,749,854	6,623,266	20,232,167

The accompanying notes are an integral part of the financial statements.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the fiscal year ended June 30, 2020

(amounts in dollars)

Net change in fund balances - total governmental funds	(759,277)
--	-----------

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital outlays over their estimated useful lives as depreciation expense.	4,037,534
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Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.	131,820
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Change in net position of governmental activities.	<div style="border-top: 1px solid black; border-bottom: 3px double black; display: inline-block; padding: 0 10px;">3,410,077</div>
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The accompanying notes are an integral part of the financial statements.

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URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

June 30, 2020

(1) Summary of Significant Accounting Policies

The financial statements of the Urban Renewal Agency (Agency) of the City of Eugene, Oregon (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

The more significant of the Agency's accounting policies are described below.

(A) The Financial Reporting Entity

The Agency's governing body is identical to the Eugene City Council, and because the services of the Agency are exclusively for the benefit of the City, the Agency has been determined under GAAP to be a component unit of the City. As a result, the funds of the Agency are blended with those of the City by including them in the appropriate statements and schedules of the City's Comprehensive Annual Financial Report, which can be viewed on the City's website at www.eugene-or.gov.

(B) Organization and Operation

The Agency was established on July 10, 1967 as a separate political body charged with the responsibility to implement the Central Eugene Project (now the Downtown District) and Urban Renewal Plan. On May 24, 1982, the powers granted to the Agency under Oregon Revised Statutes Chapter 457 were transferred to the City Council of Eugene. On September 11, 1985 the Eugene City Council adopted the Riverfront Research Park Urban Renewal Plan (now the Riverfront Urban Renewal Plan).

The accounts of the Agency are organized on the basis of funds. Fund accounting is designed to demonstrate legal compliance and aid financial management by segregating government functions and activities. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprise its assets, liabilities, fund balances, revenues, and expenditures.

(C) Government-wide and Fund Financial Statements

The government-wide financial statements (Exhibits 1 and 2) report information on all activities of the Agency. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The Statement of Activities (Exhibit 2) demonstrates the degree to which the expenses of a given function are offset by program revenues. Program revenues include 1) charges for services (to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program), loans repaid, miscellaneous, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Grants and contributions not restricted are reported as general revenues rather than program revenues. Taxes and other items not properly included among program revenues are also reported as general revenues.

Fund financial statements (Exhibits 3 and 4) are provided for all governmental funds.

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(D) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to what is measured by a fund. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements.

The government-wide financial statements are accounted for using an economic resources measurement focus, whereby all assets and liabilities are reported in the Statement of Net Position. The increases and decreases in net position are reported in the Statement of Activities. The accrual basis of accounting is used whereby revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements are accounted for using a current financial resources measurement focus. The Balance Sheet generally reports only current assets and current liabilities; and the Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases and decreases in fund balance. These funds use the modified accrual basis of accounting whereby revenues are recorded when susceptible to accrual (both measurable and available). "Measurable" means that the amount of the transaction can be determined. "Available" is defined as being collectible within the current period or soon enough thereafter (60 days) to be used to liquidate liabilities of the current period. Expenditures, other than interest on long-term obligations, are recorded when the fund liability is incurred.

Real and personal property taxes were levied as of July 1 for the fiscal year on values assessed as of January 1. Property taxes are an enforceable lien on both real and personal property as of July 1 and are due and payable in three installments on November 15, February 15, and May 15. All property taxes are billed and collected by Lane County and remitted to the Agency. In the governmental fund financial statements, property taxes are reflected as revenues in the fiscal period for which they were levied, provided they are due, or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days). Otherwise, they are reported as deferred inflows of resources. In the government-wide financial statements, property tax revenues are fully recognized at the time of levy. Property taxes which are held at year-end by the collecting agency, Lane County, and are remitted to the City within the 60-day period are reported as "Due from other governments."

Repayment of revolving loans and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Governmental Funds

Governmental funds finance all of the functions of the Agency. The measurement focus is upon determination of changes in current financial resources, rather than upon net income determination. The following are the Agency's Downtown District governmental funds:

General Fund

The General Fund is the general operating fund of the Agency. It is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are charges for services, interest on investments, principal and interest payments on outstanding loans, and transfers from the Debt Service Fund. Primary expenditures of the General Fund are fiber implementation, Downtown Loans, and Downtown District project delivery administration.

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(D) Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Governmental Funds, continued

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of tax increment resources and the payment of debt service, when applicable, and for the transfer of funds to the General Fund.

Capital Projects Fund

The Capital Projects Fund is used to account for the financial resources to be used for the acquisition or construction of capital projects within the Downtown District and the Downtown Urban Renewal Plan.

The following are the Agency's Riverfront District governmental funds:

Riverfront Special Revenue Fund

The Riverfront Special Revenue Fund is used to account for the accumulation of tax increment resources and to pay for fiber implementation and Riverfront District project delivery administration.

Riverfront Capital Projects Fund

The Riverfront Capital Projects Fund is used to account for the financial resources to be used for the acquisition or construction of capital projects within the Riverfront District.

Riverfront Program Revenue Fund

The Riverfront Program Revenue Fund is used to account for program revenue and expenditures from the Riverfront District and the Riverfront Renewal Loans program.

(E) Equity in Pooled Cash and Investments

The Agency invests cash through the City into various investment programs. Policies adopted by the City's Investment Advisory Board and the Eugene City Council authorize the City to invest in obligations of the U.S. Treasury and its agencies, time certificates of deposit, governmental money market bank deposit accounts, bankers' acceptances, municipal bonds, corporate bonds, commercial paper, repurchase agreements, reverse repurchase agreements, and the Oregon Local Government Investment Pool.

It is the City's policy to report at amortized cost all short-term, highly-liquid money market investments (including corporate bonds, commercial paper, bankers' acceptances, municipal bonds, and U.S. Treasury and agency obligations) and participating interest-earning investment contracts with a remaining maturity at time of purchase of one year or less. Such investments are stated at cost, increased by accretion of discounts and reduced by amortization of premiums, both computed by the straight-line method. Callable investments purchased at a discount are amortized to the maturity date, and callable investments purchased at a premium are amortized to the first call date. Investments with a remaining maturity at time of purchase of more than one year are valued at fair value.

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(E) Equity in Pooled Cash and Investments, continued

The City maintains a common cash and investments pool for all City funds, including funds of the Agency. Interest earned on the pooled cash and investments is allocated quarterly based on each fund's average cash and investments balance as a proportion of the City's total pooled cash and investments. The City considers "cash" to include the pooled cash and investments, since the pool has the general characteristics of a demand deposit account, in that any participating fund may deposit additional cash at any time and also may withdraw cash at any time without prior notice or penalty.

(F) Receivables

All receivables are shown net of allowance for uncollectibles in the Statement of Net Position and the Governmental Funds Balance Sheet.

(G) Land Held For Resale

Land held for resale is property purchased by the Agency at cost which is intended to be resold at a later date.

(H) Capital Assets

Capital assets are defined as tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. The capitalization threshold for tangible assets is \$5,000. Tangible assets include land, rights-of-way (included with land), improvements, and infrastructure.

All Agency assets have been capitalized in the government-wide financial statements. In accordance with the current financial resources measurement focus, capital assets are not capitalized in the governmental fund financial statements. Agency assets are valued at historical cost which is measured by the cash or cash equivalent price of obtaining an asset, including ancillary charges necessary to place the asset into its intended location and condition for use.

Upon disposal of an asset, cost and accumulated depreciation (if applicable) are removed from the accounts and, if appropriate, a gain or loss on the disposal is recognized.

All assets are reported in the Statement of Net Position and any gain or loss upon disposal is recognized in the Statement of Activities in the urban renewal redevelopment function.

(I) Deferred Inflows on Resources

In addition to liabilities, the governmental fund balance sheet reports a separate section for deferred inflows of resources, if applicable. Deferred inflows of resources represent unavailable revenue that will be recognized in a future period(s). The Agency has two primary types of revenues that are reported in this section under the modified accrual basis of accounting. These revenues include: delinquent property taxes and notes receivable. These revenues are deferred and recognized as an inflow of resources in the period that the revenues become available.

(J) Fund Balance

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued

(J) Fund Balance, continued

Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids, and deposits.

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

(K) Indirect Expenses

The Agency's Statement of Revenues, Expenditures, and Changes in Fund Balances include reimbursement to the City's Central Services department for general services provided to the Agency by the City's General Fund. The charge for general service costs is based on an approved overhead cost plan. The overhead cost reimbursement has been included in program expenses in the Statement of Activities.

(2) Reconciliation of Government-wide and Fund Financial Statements

(A) Explanation of Certain Differences Between the Government-wide Statement of Net Position and the Governmental Fund Balance Sheet

The Balance Sheet for governmental funds (Exhibit 3) includes a reconciliation between total fund balances and total net position in the Statement of Net Position (Exhibit 1). The following are selected elements of that reconciliation:

The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds. The details of this \$2,531,445 difference are as follows:

Receivables:	
Interest	\$ 29,369
Taxes	177,787
Loans and notes	2,452,145
Subtotal	<u>2,659,301</u>
Allowance for uncollectibles	<u>(127,856)</u>
Net adjustment	<u>\$ 2,531,445</u>

Capital assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value. The details of this \$8,757,081 difference are as follows:

Capital assets reported in the Statement of Net Position:	
Land	\$ 4,574,993
Work in process	<u>4,182,088</u>
Net adjustment	<u>\$ 8,757,081</u>

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(2) Reconciliation of Government-wide and Fund Financial Statements, continued

(B) Explanation of Certain Differences Between the Government-wide Statement of Activities and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances

The Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities is provided at Exhibit 5. The following are selected elements of that reconciliation:

Capital outlays are reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital outlays over their estimated useful lives as depreciation expense. The details of this \$4,037,534 difference are as follows:

Capital outlay	\$ 4,037,534
Net adjustment	\$ <u>4,037,534</u>

Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenue at their net realizable value when earned, regardless of when collected. The details of this \$131,820 difference are as follows:

Change in unavailable revenue from the following sources:	
Property taxes receivable	\$ 22,304
Notes receivable	<u>111,646</u>
Subtotal	133,950
Change in the allowance for doubtful receivables	<u>(2,130)</u>
Net adjustment	\$ <u>131,820</u>

(3) Stewardship, Compliance, and Accountability

(A) Budgetary Information

The City Manager (acting as the Agency Director) submits to the City Council of Eugene (acting as the Urban Renewal Agency Board under provisions of Oregon Revised Statute Chapter 457.460) a proposed operating and capital budget a sufficient length of time in advance to allow adoption of the budget prior to July 1.

Prior to July 1, the Agency legally adopts its annual budget for all funds through passage of a resolution. The resolution authorizes fund appropriations as current annual departmental requirements, debt service, capital outlay, interfund transfers, interfund loans, intergovernmental, and special payments. Expenditures cannot legally exceed appropriations at these control levels. Appropriations which have not been spent at year-end lapse, although an amending resolution passed in the subsequent year specifically provides for the reappropriation of prior-year lapsed encumbrances.

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(3) Stewardship, Compliance, and Accountability, continued

(A) Budgetary Information, continued

Unexpected additional resources or appropriations may be added to the budget through the use of a supplemental budget. A supplemental budget requires hearings before the public, publications in newspapers, and approval by the Agency. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by passing an Agency resolution authorizing the transfer. All budget amendments are subject to the limitations put forth in the Oregon Revised Statutes Chapters 294.305 through 294.565 (Oregon Budget Law). The net effect of amending resolutions passed during the fiscal year was an appropriation increase of \$6,979,397.

(4) Detailed Notes on All Funds

(A) Equity in Pooled Cash and Investments

The City maintains a common cash and investments pool that is available for use by all funds, including the Agency. The Agency's portion of this pool is displayed in the Statement of Net Position and the Balance Sheet as "Equity in pooled cash and investments." Cash and investments are comprised of the following at June 30, 2020:

Deposits with banks	\$	4,250,453
Investments		<u>15,020,151</u>
	\$	<u><u>19,270,604</u></u>

Detailed information for the Agency's pooled cash and investments can be found in the City's FY20 Comprehensive Annual Financial Report (Notes to Basic Financial Statements).

(B) Unavailable Revenue

Unavailable revenues are reported as a deferred inflow of resources in the governmental funds Balance Sheet. Unavailable revenues are reported in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

The various components of unavailable revenue consist of the following:

	<u>Unavailable</u>
Property taxes receivable:	
Debt Service Fund	\$ 107,260
Riverfront Special Revenue Fund	99,894
Notes receivable:	
General Fund	<u>2,452,146</u>
Total unavailable/unearned revenue	\$ <u><u>2,659,300</u></u>

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued

(C) Capital Assets

Capital assets activity for the year ended June 30, 2020 was as follows:

	Beginning balance	Increases	Decreases	Ending balance
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Work in process	\$ 144,554	4,037,534	0	4,182,088
Land	4,574,993	0	0	4,574,993
Total capital assets, not being depreciated	<u>4,719,547</u>	<u>4,037,534</u>	<u>0</u>	<u>8,757,081</u>
Governmental activities capital assets	<u>\$ 4,719,547</u>	<u>4,037,534</u>	<u>0</u>	<u>8,757,081</u>

(5) Other Information

(A) Risk Management

The Agency is a participant in the City's Risk and Benefits Internal Service Fund which accounts for and finances its risks of loss. Detailed information for the City's risk management function can be found in the City's FY20 Comprehensive Annual Financial Report (Notes to Basic Financial Statements).

(B) Tax Abatements

Property tax abatements are used to encourage business and economic development. Tax abatements reduce or eliminate the amount of property taxes that a property owner pays on new property value for a period of time. Within a District if a property is exempt from taxation, then that District raises less money than if the property was taxable. For the fiscal year ending June 30, 2020, the Agency's property tax revenues were reduced by \$246,835 under agreements entered by the City.

The amount of property tax was calculated using post division of tax rates. The amount represents the amount of assessed property taxes, it does not take into consideration early payment discounts or property tax collection rates.

REQUIRED SUPPLEMENTARY INFORMATION

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General Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

	Budget		Actual		
	<u>Original</u>	<u>Final</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
Revenues					
Intergovernmental	0	0	1,144,079	0	1,144,079
Charges for services	0	0	156,028	0	156,028
Repayment of revolving loans	0	0	0	81,094	81,094
Miscellaneous	82,000	112,000	104,218	2,128	106,346
Total revenues	82,000	112,000	1,404,325	83,222	1,487,547
Expenditures					
Current - departmental:					
Planning and development	2,966,138	2,585,083	2,467,415	192,740	2,660,155
Special payments	2,371,181	2,646,536	192,740	(192,740)	0
Total expenditures	5,337,319	5,231,619	2,660,155	0	2,660,155
Excess (deficiency) of revenues over expenditures	(5,255,319)	(5,119,619)	(1,255,830)	83,222	(1,172,608)
Other financing sources (uses)					
Principal payments received	250,000	115,000	81,094	(81,094)	0
Transfers in	2,966,138	2,585,083	2,453,688	0	2,453,688
Total other financing sources (uses)	3,216,138	2,700,083	2,534,782	(81,094)	2,453,688
Net change in fund balance	(2,039,181)	(2,419,536)	1,278,952	2,128	1,281,080
Fund balance, July 1, 2019	2,124,181	2,506,536	2,506,536	3,844	2,510,380
Fund balance, June 30, 2020	85,000	87,000	3,785,488	5,972	3,791,460

Riverfront Special Revenue Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

	<u>Budget</u>		<u>Actual</u>		<u>GAAP</u> <u>basis</u>
	<u>Original</u>	<u>Budget</u>	<u>Budget</u> <u>basis</u>	<u>Adjustment</u>	
<u>Revenues</u>					
Taxes	2,375,000	2,433,000	2,679,975	0	2,679,975
Miscellaneous	50,000	33,000	49,404	3,502	52,906
Total revenues	2,425,000	2,466,000	2,729,379	3,502	2,732,881
<u>Expenditures</u>					
Current - departmental:					
Planning and development	793,663	804,098	630,037	0	630,037
Total expenditures	793,663	804,098	630,037	0	630,037
Excess (deficiency) of revenues over expenditures	1,631,337	1,661,902	2,099,342	3,502	2,102,844
<u>Other financing sources (uses)</u>					
Transfers out	(3,700,000)	(2,500,000)	(2,500,000)	0	(2,500,000)
Total other financing sources (uses)	(3,700,000)	(2,500,000)	(2,500,000)	0	(2,500,000)
Net change in fund balance	(2,068,663)	(838,098)	(400,658)	3,502	(397,156)
Fund balance, July 1, 2019	3,352,863	1,537,764	1,537,764	4,651	1,542,415
Fund balance, June 30, 2020	1,284,200	699,666	1,137,106	8,153	1,145,259

OTHER SUPPLEMENTARY INFORMATION

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Debt Service Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

	<u>Budget</u>	<u>Actual</u>		<u>GAAP basis</u>
		<u>Budget basis</u>	<u>Adjustment</u>	
<u>Revenues</u>				
Taxes	2,603,000	2,477,208	0	2,477,208
Miscellaneous	103,000	107,587	20,354	127,941
Total revenues	2,706,000	2,584,795	20,354	2,605,149
Total expenditures	0	0	0	0
Excess (deficiency) of revenues over expenditures	2,706,000	2,584,795	20,354	2,605,149
<u>Other financing sources (uses)</u>				
Transfers out	(2,585,083)	(2,453,688)	0	(2,453,688)
Total other financing sources (uses)	(2,585,083)	(2,453,688)	0	(2,453,688)
Net change in fund balance	120,917	131,107	20,354	151,461
Fund balance, July 1, 2019	3,569,423	3,569,423	10,675	3,580,098
Fund balance, June 30, 2020	3,690,340	3,700,530	31,029	3,731,559

Capital Projects Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Miscellaneous	13,000	3,998	522	4,520
Total revenues	13,000	3,998	522	4,520
<u>Expenditures</u>				
Capital outlay	149,285	0	0	0
Total expenditures	149,285	0	0	0
Excess (deficiency) of revenues over expenditures	(136,285)	3,998	522	4,520
Total other financing sources (uses)	0	0	0	0
Net change in fund balance	(136,285)	3,998	522	4,520
Fund balance, July 1, 2019	185,812	185,812	437	186,249
Fund balance, June 30, 2020	49,527	189,810	959	190,769

Riverfront Capital Projects Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

	<u>Budget</u>	<u>Actual</u>		<u>GAAP basis</u>
		<u>Budget basis</u>	<u>Adjustment</u>	
<u>Revenues</u>				
Intergovernmental	12,085,774	657,707	0	657,707
Miscellaneous	5,144,140	61,603	4,917	66,520
Total revenues	17,229,914	719,310	4,917	724,227
<u>Expenditures</u>				
Capital outlay	25,210,070	5,171,612	0	5,171,612
Total expenditures	25,210,070	5,171,612	0	5,171,612
Excess (deficiency) of revenues over expenditures	(7,980,156)	(4,452,302)	4,917	(4,447,385)
<u>Other financing sources (uses)</u>				
Intergovernmental loan proceeds	2,000,000	2,000,000	(2,000,000)	0
Transfers in	2,500,000	2,500,000	0	2,500,000
Transfers out	(3,203,333)	(3,203,333)	0	(3,203,333)
Total other financing sources (uses)	1,296,667	1,296,667	(2,000,000)	(703,333)
Net change in fund balance	(6,683,489)	(3,155,635)	(1,995,083)	(5,150,718)
Fund balance, July 1, 2019	6,825,173	6,825,173	3,075,399	9,900,572
Fund balance, June 30, 2020	141,684	3,669,538	1,080,316	4,749,854

Riverfront Program Revenue Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2020

(amounts in dollars)

		Actual		
	<u>Budget</u>	<u>Budget basis</u>	<u>Adjustment</u>	<u>GAAP basis</u>
<u>Revenues</u>				
Miscellaneous	81,000	122,605	25,598	148,203
Total revenues	81,000	122,605	25,598	148,203
<u>Expenditures</u>				
Special payments	1,010,766	0	0	0
Total expenditures	1,010,766	0	0	0
Excess (deficiency) of revenues over expenditures	(929,766)	122,605	25,598	148,203
<u>Other financing sources (uses)</u>				
Transfers In	3,203,333	3,203,333	0	3,203,333
Total other financing sources (uses)	3,203,333	3,203,333	0	3,203,333
Net change in fund balance	2,273,567	3,325,938	25,598	3,351,536
Fund balance, July 1, 2019	3,264,045	3,264,045	7,685	3,271,730
Fund balance, June 30, 2020	5,537,612	6,589,983	33,283	6,623,266

AUDIT COMMENTS

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AUDIT COMMENTS
(Comments and Disclosures Required by State Regulators)

Oregon Administrative Rules 162-10-000 through 162-10-320, of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments, and disclosures required in audit reports. The required financial statements and schedules are set forth in preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth following.

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INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS

To the Honorable Mayor, Members of the Urban
Renewal Agency Board and the Administrator
City of Eugene, Oregon

1976 Garden Ave.
Eugene, OR 97403
541.342.5161
www.islercpa.com

We have audited the basic financial statements of the Urban Renewal Agency ("Urban Renewal Agency") of the City of Eugene, Oregon as of and for the year ended June 30, 2020, and have issued our report thereon dated November 25, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the Urban Renewal Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 to 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

In connection with our testing nothing came to our attention that caused us to believe the Urban Renewal Agency was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the Urban Renewal Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Urban Renewal Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Urban Renewal Agency internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Honorable Mayor, members of the Urban Renewal Agency Board, the Administrator and management of the Urban Renewal Agency of the City of Eugene, Oregon and the Secretary of State, Audits Division, of the State of Oregon and is not intended to be and should not be used by anyone other than those specified parties.

ISLER CPA

A handwritten signature in black ink that reads "Paul R. Nielson". The signature is written in a cursive, flowing style.

By: Paul Nielson, CPA, a member of the firm
Eugene, Oregon
November 25, 2020

RESOLUTION NO.

A RESOLUTION ACKNOWLEDGING THE RECEIPT OF THE
ANNUAL FINANCIAL REPORT OF THE URBAN RENEWAL
AGENCY OF THE CITY OF EUGENE, FOR THE FISCAL YEAR
ENDED JUNE 30, 2020

The Urban Renewal Agency of the City of Eugene finds that:

The firm of Isler CPA has completed the audit of the financial statements of the Urban Renewal Agency of the City of Eugene for the fiscal year ended June 30, 2020, as required by ORS 297.425 and, pursuant to ORS 297.465, reported to the Board on its findings.

NOW, THEREFORE,

BE IT RESOLVED by the Urban Renewal Agency of the City of Eugene, as follows:

Section 1. That the Board hereby acknowledges that it has received the "Annual Financial Report of the Urban Renewal Agency, a Component Unit of the City of Eugene, for the fiscal year ended June 30, 2020."

The foregoing resolution adopted the 14th day of December 2020.

Director

EUGENE URBAN RENEWAL AGENCY

AGENDA ITEM SUMMARY



Public Hearing and Action: Resolution Adopting a Supplemental Budget; Making Appropriations for the Urban Renewal Agency of the City of Eugene for the Fiscal Year Beginning July 1, 2020, and Ending June 30, 2021

Meeting Date: December 14, 2020
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 6
Staff Contact: Liz Butterfield
Contact Telephone Number: 541-682-5512

ISSUE STATEMENT

Urban Renewal Agency (Agency) Board approval of the December Supplemental Budget for Fiscal Year 2021 (FY21) is requested after a public hearing. Oregon Local Budget Law (ORS 294.471) allows for supplemental budgets in the event of "An occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning." ORS 294.471 also allows for a supplemental budget if there are "funds that are made available by another unit of federal, state or local government and the availability of which could not reasonably be foreseen when preparing the original budget or a previous supplemental budget for the current year or current budget period." This supplemental budget does not authorize any increase in the property tax levy and has been published in compliance with the Oregon Local Budget Law.

BACKGROUND

The supplemental budget that occurs in December of each fiscal year is usually the largest because of the audit adjustments to budgeted Beginning Working Capital and the reappropriation of funds from the prior fiscal year for contracts, program initiatives or projects that were started but not completed in that fiscal year. This supplemental budget consists of transactions to amend the Agency Adopted Budget to reconcile Beginning Working Capital, Capital Carryover, and Encumbrances Carryover, to reappropriate those dollars or place them into reserve, and authorizes other unanticipated changes in legal appropriations. A detailed description of these transactions is provided in Attachment A.

Beginning Working Capital

Isler CPA, the Agency's external auditor, has completed its Fiscal Year 2020 (FY20) audit and this supplemental budget includes Marginal Beginning Working Capital (MBWC) adjustments for all Agency funds. The MBWC is the difference between the estimate of FY20 ending working capital that was made in the FY21 Adopted Budget and the audited actual FY20 ending working capital. The total audited adjustment to the FY21 budgeted Beginning Working Capital for all Agency funds is a decrease of \$14,487,080.

Capital Carryover

The Capital Project Carryover Reconciliation is included in this supplemental budget. An estimate of the unspent balance in each capital project was established in the FY21 Adopted Budget. These estimates have been reconciled with the actual FY20 expenditures, and the Capital Budget is adjusted to reflect the remaining unspent balances in each project. The Capital Carryover on this supplemental budget decreases the Capital Budget by \$1,137,413 and increases Balance Available by the same amount.

Encumbrances Carryover

The Encumbrance Carryover Reconciliation is included in this supplemental budget. An estimate of unspent FY20 encumbrances (contracts that were in effect but not completed as of June 30) was established in the FY21 Adopted Budget. The Encumbrance Carryover on this supplemental budget decreases the Operating Budget by \$47,074 and increases Balance Available by the same amount.

One-Time Funding Requests

The following one-time funding requests are the result of the special FY20 supplemental budget and subsequent issuance of \$12 million of City of Eugene full faith and credit bonds approved in May 2020. The special supplemental budget in FY20 allowed for construction of Phase 1 of the Downtown Riverfront infrastructure project to begin. Due to the timing of Council and Agency Board approvals of the special supplemental budget and borrowing resolution, these items were not included in the FY21 Adopted Budget:

- \$1,323,600 to fund the first year of debt service on \$12 million of City of Eugene full faith and credit bonds. The City will pay the debt service and the Agency will reimburse the City. Future debt service funding will be included in the annual budget process.
- Transfers into the Riverfront Capital Projects Fund (823) to fund all approved capital projects in the Riverfront District in FY21, including the Downtown Riverfront Infrastructure, Park, Railroad Quiet Zone, and other smaller projects:
 - Intergovernmental transfer of \$11,342,293 from the City's Miscellaneous Debt Service Fund (230) - The proceeds from the City's \$12 million bond issuance are transferred to the Agency on a reimbursement basis and it's expected that all remaining bond proceeds will be transferred to the Agency in FY21.
 - Interfund transfer of \$6,694,983 from the Riverfront Program Revenue Fund (824) - Program revenues are funds derived from non-property tax sources and can be used for different purposes than tax increment dollars, such as funding for River Loans. However, the River Loans program was paused in order to redirect program revenue to approved capital projects in the Riverfront District.
 - Interfund transfer of \$1,700,000 from the Riverfront General Fund (821) - These are tax increment funds from property taxes to support approved capital projects in the Riverfront District.

Also included in this supplemental budget is a one-time funding request of \$3.7 million to fund Phase 2 of the Downtown Riverfront infrastructure project. Following Agency Board approval of revised terms in May 2020, the Agency and DRND, LLC (commonly referred to as Williams & Dame or WDA) negotiated and recently executed a new Disposition and Development Agreement to implement those terms. Assuming that WDA's due diligence does not identify any significant issues, WDA will make a non-refundable deposit of \$4.5 million with the escrow agent by March 11, 2021, with the first closing of lots to occur no later than mid-September 2021. The one-time

funding request for Phase 2 infrastructure included in this supplemental budget provides the spending authority contingent upon the \$4.5 million deposit from WDA. If these funds from WDA are not deposited with the escrow agent as expected, Phase 2 infrastructure construction will not proceed without first having an additional conversation and action by Council/Agency Board.

Timing

In some cases, expenditure authority is needed immediately to carry out Agency Board direction or to meet legal or program requirements. Approval of the December Supplemental Budget allows the organization to prepare more accurate mid-year projections by having the general ledger reflect the audited balances in each fund. This, in turn, enables staff to more accurately estimate the Beginning Working Capital for the next fiscal year's Proposed Budget.

PREVIOUS COUNCIL/AGENCY BOARD DIRECTION

[April 27, 2020, City Council and Agency Board Meetings](#)

The City Council and Agency Board held public hearings on an FY20 supplemental budget for moving the Downtown Riverfront Phase 1 infrastructure project forward. This supplemental budget included issuance of \$12 million of City of Eugene full faith and credit bonds.

[May 13, 2020, City Council Work Session](#)

Council received additional information about the FY20 supplemental budget and had the opportunity to ask questions.

[May 18, 2020, City Council Work Session](#)

Council received additional information about the FY20 supplemental budget and had the opportunity to ask questions.

[May 20, 2020, City Council and Agency Board Work Sessions](#)

Council and Agency Board approved the supplemental budget that allowed for construction of Phase 1 of the Downtown Riverfront infrastructure project to begin. One of the items included in the City's supplemental budget was the issuance of \$12 million of City of Eugene full faith and credit bonds.

[May 26, 2020, City Council Meeting](#)

Council approved the borrowing resolution authorizing the issuance of \$12 million of City of Eugene full faith and credit bonds.

[October 19, 2020, Agency Board Meeting](#)

The Agency Board approved a FY21 special supplemental budget for the Downtown District to increase the budget authority for the Farmers Market (\$3.1 million) and Park Blocks (\$1.8 million) projects.

BOARD OPTIONS

Particular requests requiring more information or discussion may be removed from the December Supplemental Budget and delayed for action in a future supplemental budget. In certain cases, there may be a financial or legal impact to delaying budget approval. The Agency Board may also adopt amended appropriation amounts or funding sources for specific requests in the

supplemental budget.

AGENCY DIRECTOR'S RECOMMENDATION

Approve the resolution in Attachment B adopting the December Supplemental Budget.

SUGGESTED MOTION

Move to approve Resolution 1097 adopting a Supplemental Budget; making appropriations for the Urban Renewal Agency of the City of Eugene for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

ATTACHMENTS

- A. Transaction Summary
- B. Resolution

FOR MORE INFORMATION

Staff Contact: Liz Butterfield
Telephone: 541-682-5512
Staff E-Mail: EButterfield@eugene-or.gov

Transaction Summary

812 Urban Renewal Agency Downtown Debt Service Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action	FY21 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	3,721,352	0	(20,822) a	3,700,530
CHANGE TO WORKING CAPITAL				
REVENUE				
Taxes	2,551,000	0	0	2,551,000
Miscellaneous	86,000	0	0	86,000
Total Revenue	2,637,000	0	0	2,637,000
TOTAL RESOURCES	6,358,352	0	(20,822)	6,337,530
II. REQUIREMENTS				
Non-Departmental				
Interfund Transfers	1,147,137	4,900,000	0	6,047,137
Balance Available	5,211,215	(4,900,000)	(20,822) a	290,393
Total Non-Departmental	6,358,352	0	(20,822)	6,337,530
TOTAL REQUIREMENTS	6,358,352	0	(20,822)	6,337,530

812 Urban Renewal Agency Downtown Debt Service

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$20,822 and decrease Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

813 Urban Renewal Agency Downtown Capital Projects Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action	FY21 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	190,126	0	(316) a	189,810
CHANGE TO WORKING CAPITAL				
REVENUE				
Miscellaneous	715	0	0	715
Interfund Transfers	0	4,900,000	0	4,900,000
Total Revenue	715	4,900,000	0	4,900,715
TOTAL RESOURCES	190,841	4,900,000	(316)	5,090,525
II. REQUIREMENTS				
Capital Projects				
Capital Projects	0	4,900,000	0	4,900,000
Capital Carryover	149,285	0	0	149,285
Total Capital Projects	149,285	4,900,000	0	5,049,285
Non-Departmental				
Balance Available	41,556	0	(316) a	41,240
Total Non-Departmental	41,556	0	(316)	41,240
TOTAL REQUIREMENTS	190,841	4,900,000	(316)	5,090,525

813 Urban Renewal Agency Downtown Capital Projects Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$316 and decrease Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

817 Urban Renewal Agency Downtown General Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	3,757,208	0	28,280	a	3,785,488
CHANGE TO WORKING CAPITAL					
REVENUE					
Charges for Service	73,000	0	0		73,000
Miscellaneous	107,718	0	0		107,718
Interfund Transfers	1,147,137	0	0		1,147,137
Fiscal Transactions	149,071	0	0		149,071
Total Revenue	1,476,926	0	0		1,476,926
TOTAL RESOURCES	5,234,134	0	28,280		5,262,414
II. REQUIREMENTS					
Department Operating					
Planning and Development	1,943,466	0	(47,074)	b	1,896,392
Total Department Operating	1,943,466	0	(47,074)		1,896,392
Non-Departmental					
Special Payments	3,184,668	0	28,280	a	3,212,948
Balance Available	106,000	0	47,074	b	153,074
Total Non-Departmental	3,290,668	0	75,354		3,366,022
TOTAL REQUIREMENTS	5,234,134	0	28,280		5,262,414

817 Urban Renewal Agency Downtown General Fund

a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$28,280 and increase Special Payments by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **Encumbrance Estimate Reconciliation** : Decrease the Planning and Development Department operating appropriations by \$47,074 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

821 Urban Renewal Agency Riverfront General Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	1,056,094	0	81,012	a	1,137,106
CHANGE TO WORKING CAPITAL					
REVENUE					
Taxes	2,948,900	0	0		2,948,900
Miscellaneous	46,000	0	0		46,000
Total Revenue	2,994,900	0	0		2,994,900
TOTAL RESOURCES	4,050,994	0	81,012		4,132,006
II. REQUIREMENTS					
Department Operating					
Planning and Development	911,766	0	0		911,766
Total Department Operating	911,766	0	0		911,766
Non-Departmental					
Interfund Transfers	0	0	1,700,000	b	1,700,000
Special Payments	0	0	1,323,600	b	1,323,600
Balance Available	3,139,228	0	(2,942,588)	a, b	196,640
Total Non-Departmental	3,139,228	0	81,012		3,220,240
TOTAL REQUIREMENTS	4,050,994	0	81,012		4,132,006

821 Urban Renewal Agency Riverfront General Fund

a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$81,012 and increase Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **One-Time Funding Requests** : Increase Interfund Transfers to the URA Riverfront Capital Projects Fund by \$1,700,000 and decrease Balance Available by the same amount to support approved capital projects in the Riverfront District, including the Downtown Riverfront Infrastructure, Park, Railroad Quiet Zone, and other projects. Increase Special Payments by \$1,323,600 and decrease Balance Available by the same amount to reimburse the City of Eugene for debt service on full faith and credit bonds issued by the City in June 2020.

823 Urban Renewal Agency Riverfront Capital Projects Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	21,328,071	0	(17,658,533)	a	3,669,538
CHANGE TO WORKING CAPITAL					
REVENUE					
Intergovernmental	0	0	11,342,293	b	11,342,293
Miscellaneous	60,000	0	3,700,000	b	3,760,000
Interfund Transfers	0	0	8,394,983	b	8,394,983
Total Revenue	60,000	0	23,437,276		23,497,276
TOTAL RESOURCES	21,388,071	0	5,778,743		27,166,814
II. REQUIREMENTS					
Capital Projects					
Capital Projects	0	0	3,700,000	b	3,700,000
Capital Carryover	21,175,873	0	(1,137,413)	c	20,038,460
Total Capital Projects	21,175,873	0	2,562,587		23,738,460
Non-Departmental					
Balance Available	212,198	0	3,216,156	a,b,c	3,428,354
Total Non-Departmental	212,198	0	3,216,156		3,428,354
TOTAL REQUIREMENTS	21,388,071	0	5,778,743		27,166,814

823 Urban Renewal Agency Riverfront Capital Projects Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$17,658,533 and decrease Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **One-Time Funding Requests** : Increase Intergovernmental revenue by \$11,342,293 and increase Balance Available by the same amount to transfer bond proceeds from the City of Eugene to the Riverfront District. Increase Miscellaneous revenue by \$3,700,000 and increase Capital Projects by \$3,700,000 for Phase 2 of the Downtown Riverfront infrastructure project. Increase Interfund Transfers revenue by \$8,394,983 to receive transfers from URA Riverfront Program Revenue Fund and URA Riverfront General Fund and increase Balance Available by the same amount to support approved capital projects in the Riverfront District, including the Downtown Riverfront Infrastructure, Park, Railroad Quiet Zone, and other projects.

c) **Capital Carryover Reconciliation** : Decrease Capital Carryover appropriations by \$1,137,413 and increase Balance Available by the same amount. This adjustment reconciles the FY21 Capital Carryover Estimate to the actual ending FY20 capital projects balance.

824 Urban Renewal Agency Riverfront Program Revenue Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	3,506,684	0	3,083,299	a	6,589,983
CHANGE TO WORKING CAPITAL					
REVENUE					
Miscellaneous	105,000	0	0		105,000
Total Revenue	105,000	0	0		105,000
TOTAL RESOURCES	3,611,684	0	3,083,299		6,694,983
II. REQUIREMENTS					
Non-Departmental					
Interfund Transfers	0	0	6,694,983	b	6,694,983
Special Payments	1,000,000	0	(1,000,000)	b	0
Balance Available	2,611,684	0	(2,611,684)	a,b	0
Total Non-Departmental	3,611,684	0	3,083,299		6,694,983
TOTAL REQUIREMENTS	3,611,684	0	3,083,299		6,694,983

824 Urban Renewal Agency Riverfront Revenue Fund

- a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$3,083,299 and increase Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler
- b) **One-Time Funding Requests** : Increase Interfund Transfers by \$6,694,983, decrease Special Payments by \$1,000,000 and decrease Balance Available by \$5,694,983 to transfer funds to the URA Riverfront Capital Projects Fund to support approved capital projects in the Riverfront District, including the Downtown Riverfront Infrastructure, Park, Railroad Quiet Zone, and other projects.

Resolution Number 1097

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET;
MAKING APPROPRIATIONS FOR THE URBAN RENEWAL AGENCY
OF THE CITY OF EUGENE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2020,
AND ENDING JUNE 30, 2021.**

The Urban Renewal Agency of the City of Eugene finds that adopting the Supplemental Budget and making appropriations is necessary under ORS 294.471.

NOW THEREFORE,

BE IT RESOLVED BY THE URBAN RENEWAL AGENCY OF THE CITY OF EUGENE as follows:

Section 1.

That the Supplemental Budget for the Urban Renewal Agency of the City of Eugene, Oregon, for the fiscal year beginning July 1, 2020, and ending June 30, 2021, as set forth in attached Exhibit A is hereby adopted.

Section 2.

The supplemental amounts for the fiscal year beginning July 1, 2020, and ending June 30, 2021, and for the purposes shown in attached Exhibit A are hereby appropriated.

Section 3.

That this Supplemental Budget is prepared in accordance with ORS 294.471(1), which authorizes the formulation of a supplemental budget resulting from "An occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning." This Supplemental Budget was published in accordance with ORS 294.471(3).

Section 4.

This resolution complies with ORS 294.471(4), and does not authorize an increase in the levy of property taxes above the amount in the Annual Budget publication.

The foregoing resolution adopted this 14th day of December, 2020.

City Recorder

EXHIBIT A

Amounts
in dollars

URBAN RENEWAL AGENCY DOWNTOWN GENERAL FUND

Department Operating		
Planning and Development		(47,074)
Total Department Operating		<u>(47,074)</u>
Non-Departmental		
* Balance Available		47,074
Special Payments		28,280
Total Non-Departmental		<u>75,354</u>
TOTAL URA DOWNTOWN GENERAL FUND		<u>28,280</u>

URBAN RENEWAL AGENCY DOWNTOWN DEBT SERVICE FUND

Non-Departmental		
* Balance Available		(20,822)
Total Non-Departmental		<u>(20,822)</u>
TOTAL URA DOWNTOWN DEBT SERVICE FUND		<u>(20,822)</u>

URBAN RENEWAL AGENCY DOWNTOWN CAPITAL PROJECTS FUND

Non-Departmental		
* Balance Available		(316)
Total Non-Departmental		<u>(316)</u>
TOTAL URA DOWNTOWN CAPITAL PROJECTS FUND		<u>(316)</u>

URBAN RENEWAL AGENCY RIVERFRONT GENERAL FUND

Non-Departmental		
Interfund Transfers		1,700,000
* Balance Available		(2,942,588)
Special Payments		1,323,600
Total Non-Departmental		<u>81,012</u>
TOTAL URA RIVERFRONT GENERAL FUND		<u>81,012</u>

URBAN RENEWAL AGENCY RIVERFRONT CAPITAL PROJECTS FUND

Capital Projects

Capital Projects	2,562,587
Total Capital Projects	2,562,587

Non-Departmental

* Balance Available	3,216,156
Total Non-Departmental	3,216,156

TOTAL URA RIVERFRONT CAPITAL PROJECTS FUND	5,778,743
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URBAN RENEWAL AGENCY RIVERFRONT PROGRAM REVENUE FUND

Non-Departmental

Interfund Transfers	6,694,983
* Balance Available	(2,611,684)
Special Payments	(1,000,000)
Total Non-Departmental	3,083,299

TOTAL URA RIVERFRONT PROGRAM REVENUE	3,083,299
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TOTAL REQUIREMENTS - ALL FUNDS	8,950,196
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* Balance Available amounts are not appropriated for spending and are shown for informational purposes only.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Public Hearing and Action: A Resolution Adopting a Supplemental Budget; Making Appropriations for the City of Eugene for the Fiscal Year Beginning July 1, 2020 and Ending June 30, 2021

Meeting Date: December 14, 2020
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 7
Staff Contact: Liz Butterfield
Contact Telephone Number: 541-682-5512

ISSUE STATEMENT

City Council approval of the second Supplemental Budget for Fiscal Year 2021 is requested after a public hearing. Oregon Local Budget Law (Oregon Revised Statute 294.471) allows for supplemental budgets in the event of “an occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning.” ORS 294.471 also allows for a supplemental budget if there are “funds that are made available by another unit of federal, state or local government and the availability of which could not reasonably be foreseen when preparing the original budget or a previous supplemental budget for the current year or current budget period.” This supplemental budget does not authorize any increase in the property tax levy and has been published in compliance with the Oregon Local Budget Law.

Prior to City Council consideration, the City Manager will present this supplemental budget to the Budget Committee for informational purposes on December 9, 2020. This item also represents an opportunity for the public to comment in a Public Hearing on December 14.

BACKGROUND

This is the second supplemental budget of fiscal year 2021 (FY21). The first supplemental budget was adopted by City Council on October 19, 2020 and only applied to the Urban Renewal Agency.

The supplemental budget (SB) that occurs in December of a fiscal year is usually the largest because of the audit adjustments to budgeted Beginning Working Capital and the reappropriation of funds from the prior fiscal year for contracts, program initiatives or projects that were started but not completed in that fiscal year. The December SB also recognizes new revenue, authorizes other unanticipated changes in legal appropriations, and includes one-time funding for strategic investments related to council initiatives and community resilience.

What follows is a summary of transactions related to the FY21 December Supplemental Budget. The included Attachments detail the full picture of this Supplemental Budget.

Dec. 14, 2020, Meeting – Item 7

Transactions Related to Beginning Working Capital

Isler CPA, the City's external auditor, has completed its Fiscal Year 2020 (FY20) audit and this supplemental budget includes Marginal Beginning Working Capital (MBWC) adjustments for all City funds. The MBWC is the difference between the estimate of FY20 ending working capital in the FY21 Adopted Budget and the audited actual FY20 ending working capital. This adjustment is recognized on the December SB and is the largest component of the transactions included in this budget request.

General Fund FY20 Final Results and FY21 MBWC

For the Main Subfund of the General Fund, the MBWC adjustment is \$9,354,465. MBWC can vary significantly from year to year. Over the past five years (excluding two large and unexpected legal settlements), the MBWC has averaged about \$4.7 million each year, ranging between \$433,000 and \$9.4 million.

The FY21 MBWC adjustment is due to a combination of higher revenues than anticipated (\$4.8 million) and departmental underspending (\$4.5 million) in FY20. Actual revenue variances from FY20 estimates included the following:

- Property taxes were approximately \$2 million higher than anticipated. Estimates were reduced in FY20 due to an anticipated reduction in the collection rate due to the COVID-19 pandemic. The actual collection rate was higher than estimated;
- Intergovernmental revenues were approximately \$2.3 million higher than estimates, primarily due to \$2.1 million received in CARES Act funding;
- License and Permits revenues were approximately \$441,000 higher than estimates, primarily due to increases in franchise fees excluding cable;
- Miscellaneous revenues were approximately \$426,000 higher than estimates, primarily due to an increase in recoveries; and
- Charges for Services were approximately \$290,000 lower compared to estimates.

On the expenditures side, underspending occurred largely due to projects and programs that were delayed or canceled due to the COVID-19 pandemic. Reappropriation requests in FY21 amount to \$3.8 million from FY20 underspending.

For more information about FY20 results, the FY20 Ending Working Capital and the Ending Fund Balance for the General Fund, see Attachment C of the Agenda Item Summary on the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2020. That attachment includes information and highlights from the FY20 Comprehensive Annual Financial Report (CAFR).

General Fund Transactions

The funds available for appropriation in the General Fund in this supplemental budget consist of the following items:

<i>Funding Source</i>	<i>Amount</i>
MBWC adjustment	\$9,354,465
FY21 Adopted Reserve for Encumbrances	3,142,310
General Fund Contingency	12,000
<i>Total Funds Available for Appropriation</i>	<i>\$12,508,775</i>

The total amount of funds recommended for appropriation in this supplemental budget in the Main Subfund of the General Fund (excluding \$1.6 million of expenditures backed by grants or other revenues, and \$2.6 million in CARES Act funded activities) consists of the following:

<i>Funding Appropriations</i>	<i>Amount</i>
FY21 Encumbrances (actual contracts carried over from FY20)	\$1,797,137
Reappropriations	3,779,295
One-time Funding Requests	2,898,716
Transfer - General Capital Projects Fund (General Capital)	900,000
Transfer - Housing Programs and Construction Fund (Affordable Housing Trust)	500,000
Reserve for Revenue Shortfall	2,633,627
<i>Total Appropriations</i>	<i>\$12,508,775</i>

The reserve for encumbrance represents a reserve for prior fiscal year encumbrances (contracts that were in effect but not completed as of June 30, 2020). The FY21 Adopted Budget included \$3.1 million for encumbrances; department staff reduced encumbrances to \$1.8 million resulting in \$1.3 million available for appropriation. Reappropriations are funds that were earmarked for a specific purpose in the previous year, but the efforts were not completed, and the funds are carried over to finish the work. One-time funding requests offer the opportunity to continue to make progress on program offerings and strategic initiatives through targeted one-time investments.

More details on General Fund Supplemental Budget transactions can be found in Attachment A.

CARES Act Adjustment for COVID-19 Response

The December SB includes funding for \$2.6 million of General Fund projects eligible for reimbursement from the CARES Act. More information on CARES Act funded projects through 12/30/20 can be found on Attachment B.

Reserve for Revenue Shortfall

The RRSF acts as the City's "savings account" and provide stability and flexibility in uncertain economic times. The Reserve for Revenue Shortfall (RRSF) for the General Fund will increase by \$4.7 million. The increase is comprised of the remaining \$2.6 million from MBWC and encumbrance reconciliation combined with the PERS Employer Incentive Fund Release of Appropriation (\$1.3 million) and Risk Fund Rate Surcharge Transfer to RRSF (\$742,168):

<i>Reserve for Revenue Shortfall (RRSF) Reconciliation</i>		Amount
<i>Funding Source</i>	FY21 Adopted RRSF	4,478,542
	Encumbrance Reconciliation	1,345,173
	Remaining MBWC	1,288,454
	PERS Employer Incentive Fund Adjustment	1,292,675
	Risk Fund Rate Surcharge Transfer	742,168
		<hr/>
		<i>FY21 RRSF After December SB</i> \$9,147,012

PERS Employer Incentive Fund Adjustment: The FY21 Adopted Budget included up to \$8 million for a one-time contribution towards the PERS Employer Incentive Fund (EIF). The program allows PERS employers to make lump-sum payments to pay down their Unfunded Actuarial Liability by providing a 25% match of the employers' lump-sum contribution amount. In September 2020, the City made a \$5 million payment towards the EIF. This payment leveraged \$1,250,000 in state matching funds for a total EIF deposit of \$6,250,000. This supplemental budget action reduces the amount budgeted towards the PERS EIF contribution and increases the RRSF by the same amount.

Risk Fund Transfer to RRSF: The FY21 Adopted Budget included a one-time increase in the internal service rates for the Risk and Benefits Fund to help fund a permanent Emergency Operations Center (EOC). Due to the COVID-19 pandemic, the EOC project is on hold for now. The rate surcharge for the General Fund is \$744,050 and will be returned to the GF by allocating it to the RRSF given the current financial uncertainty due to the COVID-19 pandemic.

After these actions the RRSF will total \$9.1 million or 4.9% of General Fund expenditures, which is below the RRSF target of 8% of General Fund expenditures.

City staff are monitoring COVID-19 impacts to the community and the City's economic condition. We continue to operate in an ever-changing and dynamic environment and will continue to understand the impacts on the General Fund and distressed non-general funds over the winter. Due to the continued uncertainty, it is recommended that the remaining funds be placed in the Reserve for Revenue Shortfall to provide as much financial flexibility as possible as we look to the future.

Capital Carryover

The Capital Project Carryover Reconciliation is also included in this supplemental budget. An estimate of the unspent balance in each capital project was established in the FY21 Adopted Budget. These estimates have been reconciled with the actual FY20 expenditures, and the Capital Budget is adjusted to reflect the remaining unspent balances in each project. The Capital Carryover on this supplemental budget reduces the Capital Budget by \$15.3 million and increases Balance Available by the same amount.

Non-General Fund Transactions

This Supplemental Budget recognizes approximately \$34.8 million in non-General Fund transactions, other than MBWC, encumbrances and capital carryover reconciliation. Much of this total is reflected in recognizing and re-budgeting approximately \$29.8 million in grants and other revenue. Additional notable, non-General Fund transactions include \$930,000 of 2006 Parks,

Recreation and Open Space Bond money to be allocated for Synthetic Turf, Capital Bond Costs, and Parks Land Acquisition, \$342,000 for additional contractual resources to implement recommended improvements to the City's corporate software, \$300,000 to create loans for housing development per City Council direction on July 27, 2020, and \$200,000 to increase contingency funds for emerging IT needs as the City adapts to a changing technology landscape during the COVID-19 pandemic.

This budget also includes non-General Fund reappropriations for projects not completed in the prior fiscal year. Other non-General Fund transactions are described in Attachment D.

Timing

In some cases, expenditure authority is needed immediately to carry out City Council direction or to meet legal or program requirements. Approval of the December supplemental budget allows the organization to prepare more accurate mid-year projections by having the general ledger reflect the audited balances in each fund. This, in turn, enables staff to more accurately project the Beginning Working Capital for the next fiscal year's Proposed Budget.

PREVIOUS COUNCIL DIRECTION

[October 19, 2020, Agency Board Meeting](#)

The Agency Board approved a FY21 special supplemental budget for the Downtown District to increase the budget authority for the Farmers Market (\$3.1 million) and Park Blocks (\$1.8 million) projects.

[June 22, 2020, COVID-19 Response Funding in Supplemental Budget](#)

Council adopted a supplemental budget for FY20 for additional funding of \$204,443 for COVID-19 response efforts including temporary shelter sites and related services, portable restrooms, and handwashing stations which are funded from the Reserve for Revenue Shortfall.

[April 8, 2019, Council Ordinance on Construction Excise Tax](#)

Council adopted the ordinance enacting the Construction Excise Tax and indicating that they would fund an additional \$500,000 annually for affordable housing from other City funds.

COUNCIL OPTIONS

Particular requests requiring more information or discussion may be removed from the supplemental budget and delayed for action to a future supplemental budget. In certain cases, there may be a financial or legal impact to delaying budget approval. Council may also adopt amended appropriation amounts or funding sources for specific requests in the supplemental budget.

CITY MANAGER'S RECOMMENDATION

Approve the attached resolution adopting the December supplemental budget.

SUGGESTED MOTION

Move to adopt Resolution 5314 adopting a Supplemental Budget; making appropriations for the City of Eugene for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

ATTACHMENTS

- A. Supplemental Budget Details
- B. CARES Act Funded Projects through 12/30/2020
- C. Homelessness Operations Summary
- D. Transaction Summary
- E. Resolution (with appropriation summaries)

FOR MORE INFORMATION

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

Thank you for your investment in Eugene and the time you take to understand, shape and recommend our annual budget. I hope you are all doing well and have managed to stay healthy through the challenges of 2020.

This is the first year the Budget Committee is meeting as a full committee to review what has traditionally been “Supplemental Budget One” or SB1. With the December supplemental budget, we reconcile adjustments to budgeted Beginning Working Capital based on the previous fiscal year end audit, reappropriate funds from the prior fiscal year for efforts not completed in that fiscal year, recognize new revenue and authorize other unanticipated changes in legal appropriations. In the past, staff have also used this opportunity to recommend additional service or equipment needs. A couple of examples from last year include the extension of limited duration funds for the downtown operations team to provide services through the end of the fiscal year and the loan for the community safety initiative.

When describing the FY21 budget to you in the spring, I referred to it as basecamp. To me, that meant that we had worked hard to get there by focusing on council priorities and goals and making a \$750,000 reduction across all departments. At the time, we believed that COVID-19 would lessen as we approached summer and we might be operating at near normal levels by Fall. As we all know, that has not happened, and our revenue sources have been impacted significantly. Instead of summiting, we’ve remained in basecamp during a prolonged storm.

The attached FY21 Supplemental Budget anticipates an even longer storm and accomplishes several important goals:

1. Fills the gap of two distressed funds that ended FY20 with a negative ending working capital. A transfer from the General Fund to the Parking and Ambulance Transport funds was made as legally required to bring them from a negative position.
2. Continues priority projects and work that were not completed in FY20 through re-appropriating those funds for use in FY21.
3. Invests in emerging needs and council priorities.
4. Builds the General Fund reserve by \$4.7 million.

As we continue to learn more about our financial condition, we will continue modifying and adapting services as part of our FY22 approach. I look forward to working through all of these challenges with you as we work together to make Eugene even better. I’m grateful for your leadership.

Respectfully,



Sarah Medary

Supplemental Budget Details

One-Time Investments and Reappropriations Summary

The recommendations for reappropriations and one-time spending of \$8.1 million are included in the chart below and grouped by the initiatives they support. As can be seen, the bulk of the funding requests relate to Affordable Housing & Homelessness, Development and Infrastructure, Community Safety and Distressed Fund Stabilization.

<i>Reappropriations & One-time Funding Requests</i>	<i>Amount</i>
Affordable Housing & Homelessness	\$2,409,964
Development & Infrastructure	1,844,992
Community Safety	1,454,421
Engagement	706,133
Efficient Government	253,717
Climate Recovery	208,858
Distressed Funds Stabilization	1,199,926
<i>Total Reappropriations & One-time Funding Requests</i>	<i>\$8,078,011</i>

Many of the one-time funding requests in the General Fund are put forward under the strategies utilized over the past several years, allowing pilot programs and previous initiatives to continue as their effectiveness is evaluated, without obligating ongoing funding. This is a way to address important community goals in a deliberate manner without making long-term funding commitments that could lead to greater fiscal pressures in the years ahead.

The following is a high-level summary of the one-time investments and reappropriation requests by strategic priority.

Affordable Housing & Homeless Operations

Funding for Affordable Housing & Homeless Operations strategies include \$2.4 million of one-time requests and reappropriations:

<i>Affordable Housing & Homeless Operations</i>	<i>Amount</i>
Reappropriations Homeless Shelter Options	\$813,500
Housing Tools and Strategies	210,109
Homeless Ops Team Flex Funding	70,000
Homeless Camp Coordinated Storage Program	26,355
One-time Funding Affordable Housing/Permanent Supported Housing Investment	790,000
Transfer to Affordable Housing Trust Fund	500,000
<i>Total Affordable Housing & Homeless Operations</i>	<i>\$2,409,964</i>

Homeless Shelter Options: The FY18 Adopted Budget included \$1 million for Homeless Shelter Options. In January 2019, the Technical Assistance Collaborative (TAC) provided a report to the City and Lane County that included ten specific recommendations to reduce the number of people experiencing unsheltered homelessness in Lane County. In July 2019,

City Council approved \$1.9 million allocated in two separate funds, \$1 million from the FY18 operating budget and \$900,000 in the capital budget. In FY21, this funding will be used based on Council direction associated with the TAC report implementation. The FY21 Adopted Budget reflects a \$900,000 in capital carryover for this project. More information on Homeless Shelter Options and Homelessness Operations strategies included on this supplemental budget is included in Attachment C.

Affordable Housing/Permanent Supported Housing Investment: The City's current SDC Exemption program has a maximum amount allowed for exemptions that is insufficient to help larger affordable housing developments or address the queue of projects that need this assistance. This funding would fund \$790,000 of SDC exemptions for four developments requesting exemptions in FY21, including a 15-unit permanent supportive housing development, a 45-unit permanent supportive housing development, a 31-unit low-income homeownership development, and a yet to be awarded approximately 50-unit affordable rental housing development.

Affordable Housing Trust Fund: On April 8, 2019, Council approved the Construction Excise Tax ordinance. This ordinance is expected to generate \$600,000 in tax revenue in FY21. In addition, Council directed that \$500,000 of MBWC should be transferred to the Affordable Housing Trust Fund, a subfund of the Housing Programs and Construction reporting fund, each year. An additional \$300,000 is allocated for affordable housing loans per previous Council direction. This results in a total of \$800,000 appropriated in this Supplemental Budget in the Affordable Housing Trust Fund to carry out the programs approved by council in the ordinance.

Housing Tools and Strategies: The FY20 Adopted Budget included \$215,000 to implement initiatives that can affect housing affordability, availability and diversity. Project funding in FY20 was used to continue streamlining and clarifying City processes related to housing, and remove barriers impacting the time needed to submit permit applications. This request reappropriates the remaining balance of funds initially awarded by City Council to address a multitude of Housing initiatives. Funding will be used to support HB2001 implementation pertaining to the housing mix, including training for middle housing development, work on Accessory Dwelling Unit design and education materials, and working with Council on other middle housing tools, including voluntary Inclusionary Zoning and ADU incentives.

Development & Infrastructure

Funding for Development & Infrastructure strategies include \$945,000 for reappropriations and \$900,000 for the General Fund transfer to the General Capital Projects fund. Major funding requests include:

<i>Development & Infrastructure</i>		Amount
Reappropriations	Urban Reserve Planning	\$278,817
	Pedestrian Wayfinding Signage	226,000
	House Bill 2001 Land Use Code Project Work	109,604
	Clear & Objective Code	63,240
	University Area Plan	60,000
	Economic Prosperity	44,538
	Growth Monitoring Program	41,513
	River Road/Santa Clara Plan	40,787
	River Road/Santa Clara HRNI funds	30,165
	Economic Support & Recovery	21,000
	Neighborhood Matching Grants	18,483
	Bridge Inspections	10,845
One-time Funding	Transfer to General Capital Projects Fund	900,000
<i>Total Development & Infrastructure</i>		<i>\$1,844,992</i>

Transfer to General Capital Projects Fund: Per the City's Financial Management Goals and Policies, the General Fund transfer to the General Capital Projects Fund is one of the highest priorities for use of MBWC. These funds are used to support ongoing preservation of General Fund building assets and Parks and Open space parks preservation and maintenance. The amount of the transfer included on this supplemental budget is \$900,000.

Urban Reserve Planning: Urban Reserve Planning funding has been programmed incrementally since FY16, with total awards to date of \$750,000. This reappropriation request moves unspent funds into FY21 for this ongoing project.

Downtown Pedestrian Wayfinding Signage: The FY20 Adopted Budget included \$250,000 to enhance Eugene's pedestrian wayfinding program through signage that communicates clear and consistent information to assist the traveling public while also highlighting arts, culture and natural amenities. Designs were completed and signs were ordered in FY20. This request reappropriates the remaining funds originally allocated in FY20 to install the signs. The Wayfinding program was an investment to ready the community for the 2021 World Track and Field Championships, which was postponed due to the COVID-19 pandemic and is currently scheduled for July 15-24, 2022.

House Bill 2001 Lane Use Code Project Work: This project provides funding to identify development code changes to support middle housing development, implementing changes directed by House Bill 2001. Funding was awarded on the FY20 December SB for \$75,000; the remaining funds reappropriated for this request in FY21 come from FY20 vacancy savings. Consultants, staff, Council and the community work together to develop and propose code changes prior to adoption. The proposed code changes will be provided to consultants before the end of FY21 to meet the State deadline for implementation of June 30, 2022. This reappropriation request moves unspent funds into FY21 for this ongoing project.

Community Safety

Funding for Community Safety strategies includes \$1.5 million for one-time requests and reappropriations of prior year funding.

<i>Community Safety</i>		Amount
Reappropriations	Lane County Jail Beds	\$499,034
	Downtown Ops Funding	119,073
	ROW Illicit Activity Program	84,314
	Wildland Urban Interface Project	20,000
One-time Funding	SCBA Replacement	650,000
	EPD Digital Storage	82,000
<i>Total Community Safety</i>		<i>\$1,454,421</i>

Self-Contained Breathing Apparatus (SCBA) Replacement: Funding is requested for the remaining costs of the self-contained breathing apparatus (SCBA) replacement project for Fire and EMS. Full SCBA replacement will cost \$1.3 million. The FY21 Adopted Budget includes \$325,000 in General Fund appropriations and \$325,000 in Equipment Replacement Fund appropriations. This one-time dollar request adds \$650,000 to fully fund replacement of all SCBAs.

Lane County Jail Beds: The City of Eugene contracts with Lane County for jail beds to hold municipal offenders. Over the last few years, Lane County has increased the cost of the contract to the City due to rising costs such as healthcare for inmates. To better manage cost increases, the Municipal Court uses a portion of its year-end General Fund balance to prepay contractual costs for the following fiscal year. At the time of budget adoption, the City did not have a contract in place with Lane County Sheriff's Office for FY21 and did not set aside budget authority in FY21 to prepay the contract. This reappropriation is being requested in lieu of this annual prepay, so the Court can cover jail bed costs for FY21.

Police Digital Storage Equipment: One-time funds are requested to purchase \$82,000 of server space and other technology needed to support digital evidence, body worn camera and in-car video footage to prevent the loss of critical evidence.

Downtown Operations Team: This request reappropriates funds for the downtown manager position, downtown ambassadors, and programming for youth and downtown events. Funds have been used since FY17 to develop the Downtown Ambassador program, increase security in the Downtown Core by funding additional Police overtime, and increase investment in downtown by providing funding for infrastructure improvements and increased cleaning.

Engagement

Funding for Engagement strategies include \$706,000 of one-time requests and reappropriations:

<i>Engagement</i>		Amount
Reappropriations	2022 World Championship Planning and Preparation	\$335,999
	Community Event Partnerships	150,000
	Equity in Contracting Program	100,934
	Childhood Early Literacy	87,200
	Sister City Program	20,000
One-time Funding	Ad Hoc Committee Compensation	12,000
<i>Total Engagement</i>		<i>\$706,133</i>

2022 World Championship Planning and Preparation: The 2021 World Track and Field Championship planned to be held in Eugene is delayed to 2022 due to the impacts of the COVID-19 pandemic. This request reappropriates the remaining budget authority to FY21 as event planning continues.

Community Event Partnerships: The FY20 Adopted Budget included \$150,000 for one-time funding for partnering with organizations for large-scale events in Eugene, such as the 2020 U.S. Track and Field Olympic Team Trials. These funds were not spent in FY20 as the 2020 U.S. Track and Field Olympic Team Trials are postponed to 2021 due to impacts of the COVID-19 pandemic. This request reappropriates the full project budget to FY21, and the Trails are currently postponed to June 18-27 2021.

Equity in Contracting Program: The FY20 budget included \$125,00 in one-time funding for a limited-duration position to continue the Equity in Contracting program in the Central Services department. The program builds supplier capacity and supports Council goals, such as inclusion and diversity, through the City's contracting practices. This reappropriation covers the remaining personnel costs associated with this position.

Efficient Government

Funding for Efficient Government strategies include \$200,000 of one-time requests and reappropriations:

<i>Efficient Government</i>		Amount
Reappropriations	City-Wide Communications Project	\$75,000
	Replacement of Class Registration System	13,927
One-time Funding	Fire Services Review	50,000
	City Council Strategic Planning	50,000
	LCC Building Rent	40,000
	November 2020 Election Costs	24,790
<i>Total Efficient Government</i>		<i>\$253,717</i>

Fire Services Review: This one-time funding request is to begin work on a review of Eugene-Springfield Fire to evaluate the fire service system.

City Council Strategic Planning: This one-time funding request is to begin strategic planning work with the City Council in the winter of 2021, to develop a new strategic plan and priorities as the community and organization recover from the impacts of COVID-19.

City-Wide Communications: This request reappropriates \$75,000 for City-Wide Communications. The original project budget included \$100,000 added on the FY19 December SB. About \$10,000 was spent in FY19, and another \$14,040 was spent in FY20 for the Engage Eugene platform that promotes community engagement in City projects, translation services for content on the City’s public website, Site Improve, an accessibility and improvement tool that scans the City’s public website for accessibility errors and quality assurance, and other projects. In FY21, remaining funds will be used to continue funding Engage Eugene, Site Improve, translation services, and other communication initiatives.

LCC Building Rent: This request covers FY21 costs associated with leasing office space for the City Manager's Office and the City Attorney's Office at the LCC building downtown, including moving costs, and estimated cabling and equipment costs.

Climate Recovery

This supplemental budget reappropriates the remaining funds for Climate Recovery Ordinance (CRO) planning and implementation.

<i>Climate Recovery</i>		Amount
Reappropriation	CRO Planning & Implementation	\$208,858

In 2014, City Council passed the Climate Recovery Ordinance (CRO), making Eugene one of the first cities in the country to include climate action goals in its City Code. Over the past six years, the Sustainability Program within the City Manager’s Office received about \$700,000 in funding to complete projects including updates to the City’s Internal Climate Action Plan and the Community Climate Action Plan 2.0. These resources also fund regular greenhouse gas emissions inventories, which track progress towards CRO goals. This request funds the CRO Analyst that supports this work and related program costs.

Distressed Funds Stabilization

Two reporting funds ended FY20 with a negative ending working capital; an adjustment is required in FY21 to bring these funds from a negative position using a transfer from the General Fund and other reductions in their budgets. This supplemental budget includes transfers totaling \$1.2 million to the Parking Services Fund and the Ambulance Transport Fund and includes other budget reductions to balance the funds.

Parking Services Fund: In late FY20, the Parking Services Fund experienced an immediate decline in revenue at the onset of the COVID-19 pandemic; the program temporarily ceased issuing parking citations and commercial tenant revenue declined as downtown employees moved to work remotely and offices and businesses closed. The Parking Fund collected a fraction of its daily revenue through the end of FY20; subsequently all optional expenses were curtailed, and staff were reassigned to other programs. However, internal costs and minimum operations, such as security and utilities, continue to outpace collected revenue.

The Parking Fund ended FY20 in a deficit position that will continue through FY21. The Parking Fund will recover alongside the downtown business community and University of Oregon campus activities. Over half of parking revenue is tied to on-street meters, off-street hourly, and all-day parking. To mitigate the impact of COVID-19, the Parking Services Fund plans to reduce project and program spending, postpone several capital projects and capital maintenance spending, leverage vacancy savings and identify other cost savings efforts in FY21.

Ambulance Transport Fund: The Ambulance Transport Fund has been challenged with a growing structural imbalance over the last few years as revenues haven't kept pace with growing operational costs. At the onset of the COVID-19 pandemic in FY20, there was an immediate reduction in medical call and ambulance transport volume resulting in a nearly 30% reduction in ambulance transports in March, April, and May 2020 compared to FY19. Reduced ambulance transports further compounded declining revenue for the Ambulance Transport Fund. Fewer transports will continue to impact revenue until transport volume returns to pre-COVID-19 levels. Transport volume hit a low point shortly after the Governor's Stay at Home order was issued but has slowly increased over time. In the first months of FY21, the fund saw an increase in transport levels from the lows of March, April and May, but remained lower than over the same time period last year. Staff continue to monitor the health of the Ambulance Transport Fund and are taking steps to identify other cost saving measures to bring the fund into a healthy position.

<i>Distressed Fund Stabilization</i>		<i>Amount</i>
One-time Funding	Parking Services Fund	\$1,095,564
	Ambulance Transport Fund	104,362
<i>Total Distressed Fund Stabilization</i>		<i>\$1,199,926</i>

Summary

Reappropriations make up 40% of the use of MBWC in the December SB; one-time funding requests, including the transfers to the General Capital Projects Fund (\$900,000) and to the Housing Programs and Construction Fund (\$500,000) make up 46% of the MBWC use. The remaining \$2.6 million from MBWC will increase the Reserve for Revenue Shortfall (RRSF). These funds, combined with the PERS Employer Incentive Fund Release of Appropriation (\$1.3 million) and Risk Fund Rate Surcharge Transfer to RRSF (\$742,168), will increase the RRSF by \$4.7 million. The RRSF acts as the City's "savings account" and provide stability and flexibility in uncertain economic times.

CARES Funding Summary

The City of Eugene was awarded \$1,856,177 in Community Development Block Grant (CDBG) and \$7,891,905 in Coronavirus Relief Funds (CRF) under the CARES Act for necessary expenditures incurred due to the COVID-19 pandemic. These funds help the City prevent, prepare for and respond to this public health emergency. The City received \$3.7 million of CRF funds in FY20, which is recognized as part of the Marginal Beginning Working Capital adjustment in this supplemental budget. This supplemental budget increases City spending authority in FY21 by an additional \$3.2 million to implement strategies related to the COVID-19 response, including homelessness services, community support, medical and protective supplies, public safety measures, and telework capabilities.

CARES Funded Items by Category		Amount
CDBG-CV	CARES CDBG-CV Act Authority Recognition (170)	\$1,856,177
Care for Homeless	Temporary Shelters/Microsites/Public Sanitation (010)	650,000
	Mobile Shower Trailer (010)	100,000
Community Support	United Way Community Partner Support (010)	350,000
	EWEB Customer Care Program Support (010)	250,000
	Portland Loo Installation Cost (010)	150,000
	Community Lending Works Small Business Grants (010)	106,000
	Community Outreach Survey (010)	15,000
Medical/Protective Supplies	Personal Protective Equipment (PPE) (592)	260,000
	PPE Fit Test Van and Equipment (010)	181,000
	Decontamination Equipment (010)	50,000
	Electrostatic Sprayers (592)	30,000
Public Safety Measures	Emergency Operations Center Upgrades (620)	163,000
	Radio Replacement (010)	160,000
	Prox Card Readers for City Facilities (010)	150,000
	Ambulance Transport Gurney (592)	20,000
Telework Capability	Billing System Remote Use Upgrade (592)	65,000
	Remote Simulator Trainer (010)	62,500
	Software Upgrades for COVID-19 Responses (131/539)	25,000
	Hardware/Software for Remote Training (010)	25,000
Other	Other costs reimbursable through 12/30/20 (010)*	379,000
Total CARES Funded Items on December SB		\$5,047,677

**CARES funded projects continue to develop. These funds will be used by 12/30/20 for approved projects.*

The City will use \$1,856,177 in new CARES CDBG funds for homeless services, access to housing assistance and homelessness prevention. Homelessness services will be also be expanded using CARES CRF funding for initiatives including new rest stops, microsites and other winter warming strategies in response to the COVID-19 pandemic. A mobile shower trailer and a Portland Loo, a modern, accessible public bathroom designed to be easy to clean, will be installed downtown to improve public sanitation and restroom access. More

information on Homelessness Services expanded using CARES funds can be found in Attachment C.

CARES funds will be awarded through the United Way to nonprofits who are providing services related to COVID-19 response. The City will provide funds to EWEB's utility support program for customers effected by the COVID-19 pandemic. Direct grants to small businesses impacted by the COVID-19 pandemic will be given from the City through Community Lending Works.

Medical and protective supplies will be purchased with CARES funds, including: personal protective equipment (PPE) for Fire and Emergency Medical Services staff, a vehicle to deliver and properly fit PPE to staff, an extractor to decontaminate clothes and other equipment, and electrostatic sprayers used to sanitize surfaces without touching them. Radios that were damaged from other cleaning solutions will also be replaced.

Audio/visual equipment for improved communications in the Emergency Operations Center will be upgraded using CARES funds. To facilitate social distancing for City employees, new Prox card readers will be installed around some City facilities. Other solutions to facilitate telework are also being implemented with CARES funds, including a new cloud-based billing software that allows Fire billing staff to work remotely, a remote training simulator for Police staff, and other software enhancements for improved access to City services and training staff.

Other costs eligible for reimbursement using CARES CRF funds will be incurred between now and the end of the calendar year. Funds will be used by 12/30/20 for approved projects.

The December supplemental budget includes \$5 million of CARES Act funded projects distributed between CRF funds and CDBG.

<i>CARES Act Funds on December SB</i>	Amount
CARES CRF Funds	\$3,191,500
CARES CDBG-CV Funds	1,856,177
<i>Total CARES Act Funds on December SB</i>	<i>\$5,047,677</i>

The General Fund will be reimbursed for \$2.6 million for CARES Act related projects, and non-General Funds will receive \$2.4 million.

<i>CARES Funded Items by Fund</i>	Amount
General Fund	\$2,628,500
Non-General Fund	2,419,177
<i>Total CARES Funded Items on December SB</i>	<i>\$5,047,677</i>

CARES CRF funds are received based on actual expenses incurred through December 30, 2020. The City expects to use all CARES CRF funds by this deadline and will true up the remaining allocations on a future supplemental budget.

Homelessness Operations

This supplemental budget invests \$1.8 million toward Homelessness Operations with a combination of General Fund and CARES Act resources. The following is a summary of the Homelessness Operations strategies included on this supplemental budget:

<i>Funding Source</i>	<i>Project</i>	<i>Amount</i>
CARES Act	Temporary Shelters/Microsites/Public Sanitation	\$650,000
CARES Act	Mobile Shower Trailer	100,000
CARES Act	Portland Loo	150,000
Reappropriation	Homelessness Ops Team Flex Funding	70,000
Reappropriation	Homeless Shelter Options	813,500
Reappropriation	Homeless Camp Coordinated Storage Program	26,355
<i>Total Homelessness Operations Strategies on SB</i>		<i>\$1,809,855</i>

Homelessness Services will be expanded using CARES Act funding for initiatives including:

Establishing new rest stops, microsites and other winter warming strategies in response to the COVID-19 pandemic. In September, City Council approved five new rest stops, creating up to 75 shelter beds by winter and as many as 100 beds after six months of successful operation.

Purchase a mobile shower trailer and install a Portland Loo in downtown to improve public sanitation and restroom access. The Loo is, a modern, accessible public bathroom designed to be easy to clean

The funding included in this SB will combine with \$401,762 of General Fund funding appropriated in the FY21 Adopted Budget for the operation of the new rest stops, microsites and other strategies in response to the COVID-19 pandemic.

The supplemental budget also reappropriates flex funding from FY20 for operational improvements and innovative solutions related to City-wide homeless response, including internal and external communications, sanitation and waste, community outreach and pilot projects.

Overall Homelessness Operations Funding Summary

Prior funding for Homeless Shelter Options is also reappropriated in FY21. In FY18, the City established \$1 million in the operating budget towards Homeless Shelter Options and designated \$900,000 from the General Fund MBWC transfer to the General Capital Projects Fund. In January 2019, the Technical Assistance Collaborative (TAC) provided a report to the City and Lane County that included ten specific recommendations to reduce the number of people experiencing unsheltered homelessness in Lane County. In FY19, City Council directed these funds be used for implementation of efforts related to the TAC report. In FY20, City Council reviewed options for adding shelter beds, permanent supportive

housing units, and other housing and shelter options. The remaining \$813,500 from FY20 will be reappropriated to support these ongoing efforts and will be used in conjunction with the \$900,000 in capital budget authority already included in the FY21 Adopted Budget.

An additional \$1,282,500 is included in the FY21 Adopted Budget in the Community Safety Initiative for Homelessness Services. More information on Homelessness and Human Services strategies funded in FY21 can be found in the FY21 Adopted Budget document, <https://www.eugene-or.gov/DocumentCenter/View/58715/FY21-Adopted-Budget-PDF>.

Transaction Summary

010 General Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	48,212,418	0	8,686,572	a,f,i	56,898,990
CHANGE TO WORKING CAPITAL					
REVENUE					
Taxes	126,143,000	0	0		126,143,000
Licenses/Permits	8,768,210	0	0		8,768,210
Intergovernmental	7,441,333	0	3,961,754	b,c	11,403,087
Rental	510,118	0	0		510,118
Charges for Services	16,839,072	0	262,630	b	17,101,702
Fines/Forfeitures	1,654,000	0	0		1,654,000
Miscellaneous	1,232,528	0	0		1,232,528
Interfund Transfers	12,084,330	0	742,168	a	12,826,498
Total Revenue	174,672,591	0	4,966,552		179,639,143
TOTAL RESOURCES	222,885,009	0	13,653,124		236,538,133
II. REQUIREMENTS					
Department Operating					
Central Services	28,713,842	0	4,460,063	a,c,d,e	33,173,905
Fire and Emergency Medical Services	34,936,893	0	1,037,139	a,c,d	35,974,032
Library, Recreation and Cultural Services	36,906,793	0	842,271	a,d,g,h,j	37,749,064
Planning and Development	9,055,958	0	3,435,503	a,c,d	12,491,461
Police	59,359,048	0	460,557	a,c,d	59,819,605
Public Works	6,941,786	0	140,120	a,c,d	7,081,906
Total Department Operating	175,914,320	0	10,375,653		186,289,973
Non-Departmental					
Interfund Transfers	7,586,000	0	2,599,926		10,185,926
Contingency	12,000	0	(12,000)	a,e	0
Special Payments	500,000	0	0		500,000
Reserves	6,729,670	0	4,072,564	a,f,g,i,j,k	10,802,234
Reserve for Encumbrances	3,383,019	0	(3,383,019)	a,h,j,k	0
UEFB	28,760,000	0	0		28,760,000
Total Non-Departmental	46,970,689	0	3,277,471		50,248,160
TOTAL REQUIREMENTS	222,885,009	0	13,653,124		236,538,133

010 General Fund

Main Subfund (011):

a) **Carryover Reconciliation:****Carryover Resources:**

Beginning Working Capital Adjustment *	\$9,354,465
FY21 Adopted Reserve for Encumbrances	\$3,142,310
Total Carryover Resources	\$12,496,775

New Resources:

Risk Fund Rate Surcharge Transfer to General Fund Reserve	\$742,168
Total New Resources	\$742,168

Funding from Reserves:

Contingency	\$12,000
Total Funding from Reserves	\$12,000

Total Funds Available for Appropriation	\$13,250,943
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010 General Fund

Main Subfund (011) (continued from previous page):

Distribution of Funds Available for Appropriation:

Reserve for Encumbrances Distribution to Departments:

Central Services	\$862,647
Fire and Emergency Medical Services	\$39,191
Library, Recreation, and Cultural Services	\$201,222
Planning and Development	\$440,608
Police	\$185,697
Public Works	\$67,772
Total Encumbrance Distribution to Departments	\$1,797,137

Reappropriations from Prior Fiscal Year:

Central Services	\$2,171,973
Fire and Emergency Medical Services	\$20,000
Library, Recreation, and Cultural Services	\$477,127
Planning and Development	\$988,681
Public Works	\$121,514
Total Reappropriations from Prior Fiscal Year	\$3,779,295

One-time Funding Requests:

Interfund Transfer to the Construction & Rental Housing Fund for Affordable Housing CET	\$500,000
Interfund Transfer to the General Capital Projects Fund	\$900,000
Interfund Transfer to the Parking Services Fund for Fund Stabilization	\$1,095,564
Interfund Transfer to the Ambulance Transport Fund for Fund Stabilization	\$104,362
Total Interfund Transfers One-time Funding Requests	\$2,599,926

Central Services

City Council Strategic Planning	\$50,000
Fire Services Review	\$50,000
City Manager's Office LCC Building Rent	\$40,000
November 2020 Election Costs	\$24,790
Ad Hoc Committee Compensation	\$12,000
Total Central Services One-Time Funding Requests	\$176,790

Fire and Emergency Medical Services

SCBA Replacement	\$650,000
Total Fire and Emergency Medical Services One-Time Funding Requests	\$650,000

Planning and Development

Affordable Housing/Permanent Supported Housing Investment	\$790,000
Total Planning and Development One-Time Funding Requests	\$790,000

Police

EPD Digital Storage	\$82,000
Total Police One-Time Funding Requests	\$82,000

Total Other One-Time Funding Requests	\$4,298,716
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Total Available Funds Appropriated	\$9,875,148
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* Beginning Working Capital Reconciliation: Increase the budgeted Beginning Working Capital in the Main Subfund of the General Fund by \$9,354,465. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **Revenue Adjustments** : These transactions recognize new FY21 revenues or revenue-backed expenditures and increase operating appropriations in the following Departments:

Central Services

Victims Assistance Services Grant	\$351,836
Equitable Engagement Grant from Urban Sustainability Directors Network	\$15,000

Fire and Emergency Medical Services

Fire Assistance Reimbursement	\$262,630
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Library, Recreation, and Cultural Services

Safe Routes to School Bike Safety Award	\$102,412
Jane Higdon Bicycle Safety Grant	\$31,710

010 General Fund

Main Subfund (011) (continued from previous page):

<u>Planning and Development</u>	
Middle Housing Planning Assistance Grant	\$145,000
Transit Access Pilot Grant	\$21,552
<u>Police Department</u>	
Various Oregon Department of Transportation Grants	\$150,927
Various Department of Justice Grants	\$368,695
Various Homeland Security Grants	\$95,435
Various Oregon Impact Grants	\$50,687
Total Revenue Adjustments	\$1,595,884

c) **CARES Act Adjustments for COVID-19 Response** : These transactions increase intergovernmental revenue and increase Department operating appropriations for CARES Act funded projects related to COVID-19 response. Approved projects must be completed before 12/30/2020.

<u>Central Services</u>	
Temporary Shelters/Microsites/Public Sanitation	\$650,000
Prox Card Readers for City Facilities	\$150,000
Portland Loo Installation Cost	\$150,000
Mobile Shower Trailer	\$100,000
<u>Fire and Emergency Medical Services</u>	
Personal Protective Equipment Fit Test Van and Equipment	\$181,000
Radio Replacement - Damaged by Sanitation	\$160,000
Logistics Extractor Location	\$50,000
Hardware/Software for Remote Training Capabilities	\$25,000
<u>Planning and Development</u>	
United Way Community Partner Support	\$350,000
EWEB Customer Care Program Support	\$250,000
Community Lending Works Small Business Grants	\$106,000
Community Outreach Survey on COVID Issues/Needs	\$15,000
Reimbursable through 12/31/2020*	\$379,000
<u>Police</u>	
Remote Simulator Trainer	\$62,500
Total CARES Act Revenue Adjustments:	\$2,628,500

*A specific project has yet to be identified for Unprogrammed funds, but will be identified before 12/30/20.

d) **PERS Employer Incentive Fund Contribution** : Decrease Department's operating appropriations for PERS costs by \$1,243,509 and increase Reserve for Revenue Shortfall by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

Central Services	\$168,183
Fire and Emergency Medical Services	\$350,682
Library, Recreation, and Cultural Services	\$138,922
Planning and Development	\$50,338
Police	\$535,384
Public Works	\$49,166
Total PERS Employer Incentive Fund Contribution Adjustments	\$1,292,675

e) **Contingency**: This section is intended to provide the status of the Council's contingency account after including transactions that are authorized by City Council to be charged against it.

Starting balance	\$12,000
Ad Hoc Committee Compensation	(12,000)
Contingency balance after December SB	\$0

Cultural Services Subfund (031):

f) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$709,387 and decrease the Cultural Services Subfund Reserve by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

g) **PERS Employer Incentive Fund Contribution** : Decrease the Library, Recreation, and Cultural Services Department operating appropriations for PERS costs by \$34,487 and increase Reserves by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

h) **Encumbrance Estimate Reconciliation** : Increase the Library, Recreation and Cultural Services Department operating appropriations by \$178,209 and decrease the Reserve for Encumbrance by \$178,209 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid.

Equipment Replacement Subfund (041):

i) ***Beginning Working Capital Reconciliation*** : Increase the budgeted Beginning Working Capital by \$41,494 and increase the Equipment Replacement Subfund Reserve by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

j) ***Encumbrance Estimate Reconciliation*** : Increase the Library, Recreation and Cultural Services Department operating appropriations by \$25,000, decrease the Reserve for Encumbrance by \$62,500, and increase Reserves by \$37,500 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid.

k) *Summary of the General Fund Reserves (All Subfunds):*

	FY20 Adopted	FY21 Adopted	FY21 SB2 Action	FY21 Revised
General Fund Reserve for Revenue Shortfall	\$28,645,079	\$4,478,542	\$4,668,470	\$9,147,012
Reserve for Prior Year Encumbrances	\$4,289,534	\$3,383,019	(\$3,383,019)	\$0
Cultural Services Subfund Reserve	\$2,018,691	\$1,915,966	(\$674,900)	\$1,241,066
Equipment Replacement Reserve	\$624,128	\$335,162	\$78,994	\$414,156
Total	\$35,577,432	\$10,112,689	\$689,545	\$10,802,234

110 Special Assessments Management Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action	FY21 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	1,108,020	0	(576,537) a	531,483
CHANGE TO WORKING CAPITAL				
REVENUE				
Charges for Services	49,760	0	0	49,760
Miscellaneous	23,200	0	0	23,200
Interfund Transfers	30,000	0	0	30,000
Special Payments	600	0	0	600
Total Revenue	103,560	0	0	103,560
TOTAL RESOURCES	1,211,580	0	(576,537)	635,043
II. REQUIREMENTS				
Department Operating				
Central Services	113,763	0	(1,313) b	112,450
Total Department Operating	113,763	0	(1,313)	112,450
Non-Departmental				
Interfund Transfers	11,000	0	0	11,000
Special Payments	30,000	0	0	30,000
Reserve	50,000	0	0	50,000
Balance Available	1,006,817	0	(575,224) a,b	431,593
Total Non-Departmental	1,097,817	0	(575,224)	522,593
TOTAL REQUIREMENTS	1,211,580	0	(576,537)	635,043

110 Special Assessments Management Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$576,537 and decrease Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **PERS Employer Incentive Fund Contribution** : Decrease the Central Services Department operating appropriations for PERS costs by \$1,313 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

111 Library Local Option Levy Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	2,471,816	0	282,996	a	2,754,812
CHANGE TO WORKING CAPITAL					
REVENUE					
Taxes	2,601,000	0	0		2,601,000
Miscellaneous	52,000	0	0		52,000
Total Revenue	2,653,000	0	0		2,653,000
TOTAL RESOURCES	5,124,816	0	282,996		5,407,812
II. REQUIREMENTS					
Department Operating					
Library, Recreation and Cultural Services	2,565,675	0	(24,766)	b,c	2,540,909
Total Department Operating	2,565,675	0	(24,766)		2,540,909
Non-Departmental					
Reserve	2,559,141	0	0		2,559,141
Balance Available	0	0	307,762	a,b,c	307,762
Total Non-Departmental	2,559,141	0	307,762		2,866,903
TOTAL REQUIREMENTS	5,124,816	0	282,996		5,407,812

111 Library Local Option Levy Fund

- a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$282,996 and increase Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.
- b) **PERS Employer Incentive Fund Contribution** : Decrease the Library, Recreation and Cultural Services Department operating appropriations for PERS costs by \$14,766 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.
- c) **Encumbrance Estimate Reconciliation** : Decrease the Library, Recreation and Cultural Services Department Operating appropriations by \$10,000 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

112 Parks and Rec Local Option Levy Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	1,482,130	0	527,418	a	2,009,548
CHANGE TO WORKING CAPITAL					
REVENUE					
Taxes	3,023,000	0	0		3,023,000
Miscellaneous	42,000	0	0		42,000
Total Revenue	3,065,000	0	0		3,065,000
TOTAL RESOURCES	4,547,130	0	527,418		5,074,548
II. REQUIREMENTS					
Department Operating					
Central Services	48,120	0	(5,066)	b	43,054
Library, Recreation and Cultural Services	15,000	0	0		15,000
Police	400,449	0	(4,194)	c	396,255
Public Works	2,987,282	0	38,793	b,c,d,e	3,026,075
Total Department Operating	3,450,851	0	29,533		3,480,384
Non-Departmental					
Balance Available	1,096,279	0	497,885	a,b,c,d,e	1,594,164
Total Non-Departmental	1,096,279	0	497,885		1,594,164
TOTAL REQUIREMENTS	4,547,130	0	527,418		5,074,548

112 Parks and Rec Local Option Levy Fund

a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$527,418 and increase Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **Encumbrance Estimate Reconciliation** : Decrease Central Services Department operating appropriations by \$5,066, decrease the Public Works Department operating appropriations by \$193,173, and increase Balance Available by \$198,239 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid.

c) **PERS Employer Incentive Fund Contribution** : Decrease the Police operating appropriations for PERS costs by \$4,194, decrease the Public Works Department operating appropriations by \$5,034, and increase Balance Available by \$9,228 due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

d) **One-Time Funding Request** : Increase the Public Works Department operating appropriations by \$37,000 for purchase of a new electric vehicle for maintenance of the new Downtown Riverfront Park. Decrease Balance Available by the same amount.

e) **Reappropriations** : Reappropriate \$200,000 in the Public Works Department operating appropriations and decrease Balance Available by the same amount for work not completed in FY20.

130 Public Safety Communications Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	1,875,533	0	444,346	a	2,319,879
CHANGE TO WORKING CAPITAL					
REVENUE					
Intergovernmental	2,350,000	0	0		2,350,000
Charges for Services	142,128	0	0		142,128
Miscellaneous	39,000	0	0		39,000
Interfund Transfers	152,000	0	0		152,000
Total Revenue	2,683,128	0	0		2,683,128
TOTAL RESOURCES	4,558,661	0	444,346		5,003,007
II. REQUIREMENTS					
Department Operating					
Police	2,761,717	0	(14,738)	b,c	2,746,979
Total Department Operating	2,761,717	0	(14,738)		2,746,979
Capital Projects					
Capital Projects	0	0	0		0
Cap. Carryover (Budget only)	0	0	0		0
Total Capital Projects	0	0	0		0
Non-Departmental					
Interfund Transfers	185,000	0	0		185,000
Reserve	152,000	0	0		152,000
Balance Available	1,459,944	0	459,084	a,b,c	1,919,028
Total Non-Departmental	1,796,944	0	459,084		2,256,028
TOTAL REQUIREMENTS	4,558,661	0	444,346		5,003,007

130 Public Safety Communications Fund

- a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$444,346, and increase Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.
- b) **PERS Employer Incentive Fund Contribution** : Decrease the Police Department operating appropriations for PERS costs by \$14,231 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.
- c) **Encumbrance Estimate Reconciliation** : Decrease Police Department operating appropriations by \$507 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

131 Road Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	3,551,257	0	323,221	a	3,874,478
CHANGE TO WORKING CAPITAL					
REVENUE					
Licenses/Permits	2,200,000	0	0		2,200,000
Intergovernmental	13,568,991	0	607,693	b,c	14,176,684
Rental	100,000	0	0		100,000
Charges for Services	307,500	0	0		307,500
Miscellaneous	186,790	0	0		186,790
Total Revenue	16,363,281	0	607,693		16,970,974
TOTAL RESOURCES	19,914,538	0	930,914		20,845,452
II. REQUIREMENTS					
Department Operating					
Public Works	15,496,381	0	67,890	b,c,d,e	15,564,271
Total Department Operating	15,496,381	0	67,890		15,564,271
Non-Departmental					
Interfund Transfers	1,721,000	0	0		1,721,000
Balance Available	2,697,157	0	863,024	a,c,d,e	3,560,181
Total Non-Departmental	4,418,157	0	863,024		5,281,181
TOTAL REQUIREMENTS	19,914,538	0	930,914		20,845,452

131 Road Fund

- a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$323,221 and increase Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.
- b) **CARES Act Adjustments for COVID-19 Response** : Increase Intergovernmental revenue by \$12,500 and increase Public Works Department operating appropriations by the same amount for software upgrades for COVID-19 response efforts. This project will be reimbursed through CARES Act grant revenue.
- c) **Reappropriations** : Reappropriate \$595,193 in Intergovernmental revenue for previous years grants and increase Public Works Department operating appropriations by the same amount. Reappropriate \$67,471 in the Public Works Department operating appropriations for pothole program work not completed in FY20 and decrease Balance Available by the same amount.
- d) **PERS Employer Incentive Fund Contribution** : Decrease the Public Works Department operating appropriations for PERS costs by \$76,718 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.
- e) **Encumbrance Estimate Reconciliation** : Decrease Public Works Department operating appropriations by \$530,556 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

135 Telecom Registration/Licensing Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	2,810,836	0	2,830,272	a	5,641,108
CHANGE TO WORKING CAPITAL					
REVENUE					
Licenses/Permits	2,700,000	0	0		2,700,000
Miscellaneous	94,000	0	0		94,000
Total Revenue	2,794,000	0	0		2,794,000
TOTAL RESOURCES	5,604,836	0	2,830,272		8,435,108
II. REQUIREMENTS					
Department Operating					
Central Services	3,764,597	0	1,473,233	b,c,d	5,237,830
Total Department Operating	3,764,597	0	1,473,233		5,237,830
Non-Departmental					
Debt Service	37,000	0	0		37,000
Interfund Transfers	22,000	0	0		22,000
Special Payments	120,000	0	0		120,000
Reserves	841,301	0	0		841,301
Balance Available	819,938	0	1,357,039	a,b,c,d	2,176,977
Total Non-Departmental	1,840,239	0	1,357,039		3,197,278
TOTAL REQUIREMENTS	5,604,836	0	2,830,272		8,435,108

135 Telecom Registration/Licensing Fund

a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$2,830,272 and increase Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **PERS Employer Incentive Fund Contribution** : Decrease the Central Services Department operating appropriations for PERS costs by \$3,223 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

c) **Reappropriations** : Increase Central Services Department operating appropriations by \$1,739,211 for the Downtown High-Speed Fiber project and other telecommunication projects not completed in the prior fiscal year and decrease Balance Available by the same amount.

d) **Encumbrance Estimate Reconciliation** : Decrease Central Services Department operating appropriations by \$262,755 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

136 Community Safety Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action	FY21 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	1,872,230	0	(942,777) a	929,453
CHANGE TO WORKING CAPITAL				
REVENUE				
Taxes	4,700,000	0	0	4,700,000
Interfund Transfers	2,000,000	0	0	2,000,000
Interfund Loans	4,700,000	0	0	4,700,000
Total Revenue	11,400,000	0	0	11,400,000
TOTAL RESOURCES	13,272,230	0	(942,777)	12,329,453
II. REQUIREMENTS				
Department Operating				
Central Services	4,183,192	0	0	4,183,192
Police	3,281,453	0	(9,534) b	3,271,919
Library, Recreation and Cultural Services	130,000	0	0	130,000
Total Department Operating	7,594,645	0	(9,534)	7,585,111
Capital Projects				
Capital Projects	0	0	0	0
Cap. Carryover (Budget only)	0	0	0	0
Total Capital Projects	0	0	0	0
Non-Departmental				
Interfund Transfers	725,000	0	0	725,000
Balance Available	4,952,585	0	(933,243) a,b	4,019,342
Total Non-Departmental	5,677,585	0	(933,243)	4,744,342
TOTAL REQUIREMENTS	13,272,230	0	(942,777)	12,329,453

136 Community Safety Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$942,777 and decrease Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external

b) **Encumbrance Estimate Reconciliation** : Decrease Police Department operating appropriations by \$9,534 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

150 Housing Programs and Construction Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	9,419,624	0	288,987	a	9,708,611
CHANGE TO WORKING CAPITAL					
REVENUE					
Licenses/Permits	4,565,685	0	0		4,565,685
Charges for Services	6,161,050	0	0		6,161,050
Fines/Forfeitures	25,000	0	0		25,000
Interfund Transfers	0	0	500,000	b	500,000
Miscellaneous	228,000	0	0		228,000
Total Revenue	10,979,735	0	500,000		11,479,735
TOTAL RESOURCES	20,399,359	0	788,987		21,188,346
II. REQUIREMENTS					
Department Operating					
Fire and Emergency Medical Services	374,984	0	(4,632)	c	370,352
Planning and Development	10,278,619	0	63,870	a,b,c,d	10,342,489
Public Works	585,972	0	(5,470)	c	580,502
Total Department Operating	11,239,575	0	53,768		11,293,343
Non-Departmental					
Interfund Transfers	1,167,000	0	0		1,167,000
Special Payments	1,120,000	0	300,000	b	1,420,000
Balance Available	6,872,784	0	435,219	a,c,d	7,308,003
Total Non-Departmental	9,159,784	0	735,219		9,895,003
TOTAL REQUIREMENTS	20,399,359	0	788,987		21,188,346

150 Construction and Rental Housing Fund

a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$288,987, decrease the Planning and Development Department operating appropriations by \$55,380, and increase the Balance Available by \$344,367. The subfund Affordable Housing Trust fund ended FY20 with a negative ending working capital of \$55,380, which is offset by the decrease in the Planning and Development operating appropriation of the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **One-Time Funding Requests** : Increase Interfund Transfers by \$500,000 (from the General Fund, per Ordinance 20609) and increase Planning and Development Department operating appropriations by the same amount. Decrease the Planning and Development Department operating appropriations by \$300,000 and increase Special Payments by the same amount to make loans available for the creation of affordable housing, per previous Council direction.

c) **PERS Employer Incentive Fund Contribution** : Decrease the Fire Department operating appropriations by \$4,632, decrease the Planning and Development Department operating appropriations by \$64,344, and decrease the Public Works Department operating appropriations for PERS costs by \$5,470 and increase Balance Available by \$74,446 due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

d) **Encumbrance Estimate Reconciliation** : Decrease Planning and Development Department operating appropriations by \$16,406 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

155 Solid Waste/Recycling Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action	FY21 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	694,520	0	187,999	a 882,519
CHANGE TO WORKING CAPITAL				
REVENUE				
Licenses/Permits	1,135,285	0	0	1,135,285
Miscellaneous	26,000	0	0	26,000
Total Revenue	1,161,285	0	0	1,161,285
TOTAL RESOURCES	1,855,805	0	187,999	2,043,804
II. REQUIREMENTS				
Department Operating				
Planning and Development	1,228,827	0	(42,542)	b,c 1,186,285
Total Department Operating	1,228,827	0	(42,542)	1,186,285
Non-Departmental				
Interfund Transfers	204,000	0	0	204,000
Balance Available	422,978	0	230,541	a,b,c 653,519
Total Non-Departmental	626,978	0	230,541	857,519
TOTAL REQUIREMENTS	1,855,805	0	187,999	2,043,804

155 Solid Waste/Recycling Fund

- a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$187,999 and increase Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.
- b) **PERS Employer Incentive Fund Contribution** : Decrease the Planning and Development Department operating appropriations for PERS costs by \$5,728 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.
- c) **Encumbrance Estimate Reconciliation** : Reduce Planning and Development Department operating appropriations by \$36,814 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

170 Community Development Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	4,136,193	0	(1,044,166)	a	3,092,027
CHANGE TO WORKING CAPITAL					
REVENUE					
Intergovernmental	8,650,924	0	1,856,177	b	10,507,101
Charges for Services	93,875	0	0		93,875
Miscellaneous	581,544	0	0		581,544
Interfund Transfers	0	0	0		0
Special Payments	1,937,921	0	0		1,937,921
Total Revenue	11,264,264	0	1,856,177		13,120,441
TOTAL RESOURCES	15,400,457	0	812,011		16,212,468
II. REQUIREMENTS					
Department Operating					
Planning and Development	3,490,196	0	1,804,740	a,b,c,d,e,f	5,294,936
Total Department Operating	3,490,196	0	1,804,740		5,294,936
Capital Projects					
Capital Projects	700,000	0	(700,000)	e	0
Capital Carryover	202,308	0	(201,303)	a,f	1,005
Total Capital Projects	902,308	0	(901,303)		1,005
Non-Departmental					
Debt Service	366,184	0	0		366,184
Interfund Transfers	181,000	0	0		181,000
Special Payments	7,858,775	0	(291,608)	a	7,567,167
Reserves	1,642,372	0	(159,552)	a	1,482,820
Reserve for Encumbrances	0	0	0		0
Balance Available	959,622	0	359,734	c,d,f	1,319,356
Total Non-Departmental	11,007,953	0	(91,426)		10,916,527
TOTAL REQUIREMENTS	15,400,457	0	812,011		16,212,468

170 Community Development Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$1,044,166, decrease Planning and Development Department operating appropriation by \$390,698, decrease Capital Carryover appropriation by \$202,308, decrease Special Payments by \$291,608, and decrease Reserves by \$159,552. These adjustments bring the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **CARES Act Adjustments for COVID-19 Response :** Increase Intergovernmental revenue by \$1,856,177 and increase Planning and Development Department operating appropriations by the same amount CDBG projects related to the COVID-19 response. This project will be reimbursed through CARES Act CDBG-CV grant revenue.

c) **PERS Employer Incentive Fund Contribution:** Increase the Planning and Development Department operating appropriations for PERS costs by \$4,648 and decrease Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund. This fund did not contribute to the lump sum payment towards the PERS EIF; as the City's offset rate for the PERS EIF contribution is lower than planned in the FY21 Adopted Budget this supplemental budget increases the budget for PERS costs for this fund.

d) **Encumbrance Estimate Reconciliation :** Reduce Planning and Development Department operating appropriations by \$365,387 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

e) **One-Time Funding Requests :** Decrease the Capital Projects appropriations by \$700,000 and increase the Planning and Development Department operating appropriations by the same amount. Funds previously budgeted for landbanking in the Capital Projects appropriations were later deemed to be an operating expense. This request moves budget authority from Capital to Operating to make this correction.

f) **Capital Carryover Reconciliation :** Increase the Capital Carryover appropriations by \$1,005 and decrease Balance Available by the same amount. This adjustment reconciles the FY21 Capital Carryover Estimate to the actual ending FY20 Capital Projects balance.

180 Library, Parks, and Recreation Special Revenue Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action	FY21 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	5,842,979	0	269,127 a	6,112,106
CHANGE TO WORKING CAPITAL				
REVENUE				
Rental	34,920	0	0	34,920
Charges for Services	25,000	0	0	25,000
Miscellaneous	602,334	0	0	602,334
Special Payments	4,400	0	0	4,400
Total Revenue	666,654	0	0	666,654
TOTAL RESOURCES	6,509,633	0	269,127	6,778,760
II. REQUIREMENTS				
Department Operating				
Library Recreation and Cultural Svcs	543,000	0	0	543,000
Total Department Operating	543,000	0	0	543,000
Capital Projects				
Capital Projects	59,229	0	0	59,229
Capital Carryover	769,176	0	(43,832) b	725,344
Total Capital Projects	828,405	0	(43,832)	784,573
Non-Departmental				
Reserves	4,001,571	0	180,337 a	4,181,908
Special Payments	35,557	0	79,228 a	114,785
Balance Available	1,101,100	0	53,394 a,b	1,154,494
Total Non-Departmental	5,138,228	0	312,959	5,451,187
TOTAL REQUIREMENTS	6,509,633	0	269,127	6,778,760

180 Library, Parks, and Recreation Special Revenue Fund

a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$269,127, increase Special Payments by \$79,228, increase Reserves by \$180,337, and increase Balance Available by \$9,562. These adjustments bring the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **Capital Carryover Reconciliation** : Decrease Capital Carryover appropriations by \$43,832 and increase Balance Available by the same amount. This adjustment reconciles the FY21 Capital Carryover Estimate to the actual ending FY20 capital projects balance.

211 General Obligation Debt Service Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action	FY21 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	184,350	0	37,734	a 222,084
CHANGE TO WORKING CAPITAL				
REVENUE				
Taxes	13,619,992	0	0	13,619,992
Miscellaneous	60,000	0	0	60,000
Total Revenue	13,679,992	0	0	13,679,992
TOTAL RESOURCES	13,864,342	0	37,734	13,902,076
II. REQUIREMENTS				
Non-Departmental				
Debt Service	13,864,342	0	37,734	a 13,902,076
Total Non-Departmental	13,864,342	0	37,734	13,902,076
TOTAL REQUIREMENTS	13,864,342	0	37,734	13,902,076

211 General Obligation Debt Service Fund

a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$37,734 and increase Debt Service by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

230 Miscellaneous Debt Service Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	0	0	11,359,041	a	11,359,041
CHANGE TO WORKING CAPITAL					
REVENUE					
Intergovernmental	0	0	1,323,600	b	1,323,600
Total Revenue	0	0	1,323,600		1,323,600
TOTAL RESOURCES	0	0	12,682,641		12,682,641
II. REQUIREMENTS					
Non-Departmental					
Debt Service	0	0	1,323,600	b	1,323,600
Special Payments	0	0	11,342,293	b	11,342,293
Balance Available	0	0	16,748	a,b	16,748
Total Non-Departmental	0	0	12,682,641		12,682,641
TOTAL REQUIREMENTS	0	0	12,682,641		12,682,641

230 Miscellaneous Debt Service Fund

a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$11,359,041 and Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor. The fund was created during FY20 through the supplemental budget process to issue \$12 million of full faith and credit bonds to later transfer to the Riverfront District Urban Renewal Agency (URA) for the construction of Phase 1 of the Downtown Riverfront infrastructure project. Due to the timing of the Council and Agency Board approvals of the supplemental budget and borrowing resolution, these items were not included in the FY21 Adopted Budget.

b) **One-Time Funding Requests** : Increase Intergovernmental Revenue by \$1,323,600 and increase Debt Service by the same amount for URA payment of debt service for the Downtown Riverfront bonds issued in Spring 2020. Decrease Balance Available after the Beginning Working Capital Reconciliation by \$11,342,293 and increase Special Payments by the same amount to transfer the proceeds of the bond issuance to the Riverfront District URA.

250 Special Assessment Bond Debt Service Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action	FY21 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	68,260	0	13,561 a	81,821
CHANGE TO WORKING CAPITAL				
REVENUE				
Miscellaneous	11,485	0	0	11,485
Special Payments	142,470	0	0	142,470
Total Revenue	153,955	0	0	153,955
TOTAL RESOURCES	222,215	0	13,561	235,776
II. REQUIREMENTS				
Non-Departmental				
Debt Service	152,655	0	0	152,655
Interfund Transfers	10,000	0	0	10,000
Reserves	59,560	0	13,561 a	73,121
Total Non-Departmental	222,215	0	13,561	235,776
TOTAL REQUIREMENTS	222,215	0	13,561	235,776

250 Special Assessment Bond Debt Service Fund

a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$13,561 and increase Reserves by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

310 General Capital Projects Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	55,121,504	0	(5,136,010)	a	49,985,494
CHANGE TO WORKING CAPITAL					
REVENUE					
Miscellaneous	1,223,000	0	0		1,223,000
Interfund Transfers	3,644,000	0	900,000	b	4,544,000
Special Payments	0	0	1,744,024	a,b	1,744,024
Total Revenue	4,867,000	0	2,644,024		7,511,024
TOTAL RESOURCES	59,988,504	0	(2,491,986)		57,496,518
II. REQUIREMENTS					
Department Operating					
Library, Recreation & Cultural Services	20,000	0	0		20,000
Total Department Operating	20,000	0	0		20,000
Capital Projects					
Capital Projects	9,726,989	0	1,730,000	b	11,456,989
Capital Carryover	34,844,484	0	614,219	a,b,c	35,458,703
Total Capital Projects	44,571,473	0	2,344,219		46,915,692
Non-Departmental					
Interfund Transfers	175,000	0	0		175,000
Reserve	1,776,560	0	0		1,776,560
Balance Available	13,445,471	0	(4,836,205)	a,b,c	8,609,266
Total Non-Departmental	15,397,031	0	(4,836,205)		10,560,826
TOTAL REQUIREMENTS	59,988,504	0	(2,491,986)		57,496,518

310 General Capital Projects Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$5,136,010, increase Special Payments by \$814,024, decrease Capital Carryover appropriations by \$53,197, and decrease Balance Available by \$4,268,789. These adjustments bring the FY21 Budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **One-Time Funding Requests** : Increase Special Payments revenue by \$930,000 and increase Capital Projects appropriations by the same amount for the Synthetic Turf Fields Capital Project, pay for Capital Bond costs, and program future capital projects. Increase Capital Carryover by \$5,000,000 and decrease Balance Available by the same amount for projects not included in the FY21 Adopted Budget. Reduce the Capital Projects budget by \$100,000 and increase Balance Available by the same amount to remove budget authority for the Golden Gardens project, as this project is not eligible for appropriation. Increase Interfund Transfers by \$900,000 for General Fund transfers and increase Capital Projects by the same amount, per the City's Financial Management Goals and Policies, to support ongoing preservation of General Fund building assets and Parks and Open space parks preservation and maintenance.

c) **Capital Carryover Reconciliation** : Decrease Capital Carryover appropriations by \$4,332,584 and increase Balance Available by the same amount. This adjustment reconciles the FY21 Capital Carryover Estimate to the actual ending FY20 capital projects balance.

330 System Development Capital Projects Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	43,684,505	0	(6,175,319)	a	37,509,186
CHANGE TO WORKING CAPITAL					
REVENUE					
Rental	60,000	0	0		60,000
Charges for Services	5,606,508	0	0		5,606,508
Miscellaneous	685,760	0	0		685,760
Interfund Transfers	500,000				500,000
Total Revenue	6,852,268	0	0		6,852,268
TOTAL RESOURCES	50,536,773	0	(6,175,319)		44,361,454
II. REQUIREMENTS					
Department Operating					
Planning and Development	184,004	0	(557)	b	183,447
Public Works	481,466	0	(2,211)	b	479,255
Total Department Operating	665,470	0	(2,768)		662,702
Capital Projects					
Capital Projects	4,161,000	0	0		4,161,000
Capital Carryover	30,746,542	0	(1,082,209)	c	29,664,333
Total Capital Projects	34,907,542	0	(1,082,209)		33,825,333
Non-Departmental					
Interfund Transfers	51,000	0	0		51,000
Balance Available	14,912,761	0	(5,090,342)	a,b,c	9,822,419
	14,963,761	0	(5,090,342)		9,873,419
TOTAL REQUIREMENTS	50,536,773	0	(6,175,319)		44,361,454

330 System Development Capital Projects Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$6,175,319 and decrease Balance Available by the same amount. This adjustment brings the FY21 Budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **PERS Employer Incentive Fund Contribution** : Decrease the Planning and Development Department operating appropriations by \$557, decrease the Public Works Department operating appropriations by \$2,211 for PERS costs and increase Balance Available by \$2,768 due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

c) **Capital Carryover Reconciliation** : Decrease Capital Carryover appropriations by \$1,082,209 and increase Balance Available by the same amount. This adjustment reconciles the FY21 Capital Carryover Estimate to the actual ending FY20 capital projects balance.

340 Transportation Capital Projects Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	44,191,526	0	(23,996,545)	a	20,194,981
CHANGE TO WORKING CAPITAL					
REVENUE					
Taxes	3,000,000	0	0		3,000,000
Intergovernmental	1,000,000	0	20,231,716	b,c	21,231,716
Rental	35,000	0	0		35,000
Charges for Services	125,000				125,000
Miscellaneous	338,000	0	0		338,000
Interfund Transfers	650,000	0	0		650,000
Special Payments	9,497,500	0	0		9,497,500
Total Revenue	14,645,500	0	20,231,716		34,877,216
TOTAL RESOURCES	58,837,026	0	(3,764,829)		55,072,197
II. REQUIREMENTS					
Capital Projects					
Capital Projects	14,817,743	0	(1,251,725)	c,d	13,566,018
Capital Carryover	42,761,644	0	(3,215,788)	e	39,545,856
Total Capital Projects	57,579,387	0	(4,467,513)		53,111,874
Non-Departmental					
Balance Available	1,257,639	0	702,684	a,b,d,e	1,960,323
Total Non-Departmental	1,257,639	0	702,684		1,960,323
TOTAL REQUIREMENTS	58,837,026	0	(3,764,829)		55,072,197

340 Transportation Capital Projects Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$23,996,545 and decrease Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **Reappropriations** : Reappropriate \$20,213,441 in Intergovernmental revenue for previous years' grants and increase Balance Available by the same amount.

c) **New Revenues** : Recognize Intergovernmental revenue by \$18,275 and increase Capital projects by the same amount for reimbursement of work performed at the Lane County Jail driveway in conjunction with City of Eugene project at 5th Charnelton.

d) **One-Time Funding Requests** : Decrease Capital Projects by \$1,400,000 and increase Balance Available by the same amount to reverse appropriations previously authorized for Hayes, Grant and Pierce St. Paving. Given the uncertainty in revenue from fuel tax, the City is reducing its Pavement Preservation Program. Increase Capital Projects appropriation by \$100,000 and decrease Balance Available by the same amount for DeFazio Bridge Repairs design work. Increase Capital Projects appropriation by \$30,000 and decrease Balance Available by the same amount for seismic assessment of shared-use path bridges.

e) **Capital Carryover Reconciliation** : Decrease Capital Carryover appropriations by \$3,215,788 and increase Balance Available by the same amount. This adjustment reconciles the FY21 Capital Carryover Estimate to the actual ending FY20 capital projects balance.

350 Special Assessment Capital Projects Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action	FY21 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	1,439,962	0	(1,385,284) a	54,678
CHANGE TO WORKING CAPITAL				
REVENUE				
Miscellaneous	31,200	0	0	31,200
Interfund Transfers	0	0	0	0
Special Payments	0	0	0	0
Total Revenue	31,200	0	0	31,200
TOTAL RESOURCES	1,471,162	0	(1,385,284)	85,878
II. REQUIREMENTS				
Capital Projects				
Capital Projects	0	0	0	0
Capital Carryover	0	0	0	0
Total Capital Projects	0	0	0	0
Non-Departmental				
Interfund Transfers	20,000	0	0	20,000
Special Payments	0	0	0	0
Balance Available	1,451,162	0	(1,385,284) a	65,878
Total Non-Departmental	1,471,162	0	(1,385,284)	85,878
TOTAL REQUIREMENTS	1,471,162	0	(1,385,284)	85,878

350 Special Assessment Capital Projects Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$1,385,284 and decrease Balance Available by the same amount. This adjustment brings the FY21 Budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

510 Municipal Airport Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	23,116,879	0	(6,005,343)	a	17,111,536
CHANGE TO WORKING CAPITAL					
REVENUE					
Licenses/Permits	41,750	0	0		41,750
Intergovernmental	15,800,000	0	5,734,818	b	21,534,818
Rental	982,354	0	0		982,354
Charges for Services	15,148,367	0	0		15,148,367
Fines/Forfeitures	15,000	0	0		15,000
Miscellaneous	193,500	0	0		193,500
Fiscal Transactions	0	0	0		0
Total Revenue	32,180,971	0	5,734,818		37,915,789
TOTAL RESOURCES	55,297,850	0	(270,525)		55,027,325
II. REQUIREMENTS					
Department Operating					
Fire and Emergency Medical Services	1,358,749	0	(17,493)	c	1,341,256
Police	1,144,195	0	(11,194)	c	1,133,001
Public Works	10,601,345	0	(304,853)	c,d	10,296,492
Total Department Operating	13,104,289	0	(333,540)		12,770,749
Capital Projects					
Capital Projects	21,069,000	0	0		21,069,000
Capital Carryover	7,690,387	0	(4,106,039)	e	3,584,348
Total Capital Projects	28,759,387	0	(4,106,039)		24,653,348
Non-Departmental					
Interfund Transfers	794,000	0	0		794,000
Reserves	3,952,487	0	(9,041,260)	a	(5,088,773)
Reserve for Encumbrances	0	0	0		0
Balance Available	8,687,687	0	13,210,314	a,b,c,d,e	21,898,001
Total Non-Departmental	13,434,174	0	4,169,054		17,603,228
TOTAL REQUIREMENTS	55,297,850	0	(270,525)		55,027,325

510 Municipal Airport Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$6,005,343, decrease Reserves by \$9,041,260, and increase Balance Available by \$3,035,917. This adjustment brings the FY21 Budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **Reappropriations** : Recognize Intergovernmental revenues for previously budgeted Airport grants in the amount of \$5,734,818 and increase Balance Available by the same amount.

c) **PERS Employer Incentive Fund Contribution** : Decrease the Fire and Emergency Medical Services Department operating appropriations by \$17,493, decrease the Police Department operating appropriations by \$11,194, and decrease for the Public Works Department operating appropriations by \$44,402 for PERS costs and increase Balance Available by \$73,089 due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

d) **Encumbrance Estimate Reconciliation** : Decrease the Public Works Department operating appropriations by \$260,451 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

e) **Capital Carryover Reconciliation** : Decrease Capital Carryover appropriations by \$4,106,039 and increase Balance Available by the same amount. This adjustment reconciles the FY21 Capital Carryover Estimate to the actual ending FY20 capital projects balance.

520 Parking Services Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	699,353	0	(1,794,917)	a	(1,095,564)
CHANGE TO WORKING CAPITAL					
REVENUE					
Rental	591,674	0	0		591,674
Charges for Services	6,443,074	0	0		6,443,074
Fines/Forfeitures	1,035,000	0	0		1,035,000
Miscellaneous	77,071	0	0		77,071
Interfund Transfers	0	0	1,095,564	a	1,095,564
Fiscal Transactions	0	0	0		0
Total Revenue	8,146,819	0	1,095,564		9,242,383
TOTAL RESOURCES	8,846,172	0	(699,353)		8,146,819
II. REQUIREMENTS					
Department Operating					
Central Services	405,708	0	(3,011)	b	402,697
Planning and Development	5,896,200	0	(185,191)	b,c	5,711,009
Public Works	95,243	0	(1,073)	c	94,170
Total Department Operating	6,397,151	0	(189,275)		6,207,876
Capital Projects					
Capital Projects	50,000	0	0		50,000
Capital Carryover	413,572	0	0		413,572
Total Capital Projects	463,572	0	0		463,572
Non-Departmental					
Debt Service	21,000	0	0		21,000
Interfund Transfers	1,080,350	0	0		1,080,350
Special Payments	150,000	0	0		150,000
Balance Available	734,099	0	(510,078)	a,b,c	224,021
Total Non-Departmental	1,985,449	0	(510,078)		1,475,371
TOTAL REQUIREMENTS	8,846,172	0	(699,353)		8,146,819

520 Parking Services Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$1,794,917, increase Interfund Transfers for a General Fund transfer by \$1,095,564, and decrease Balance Available by \$699,353. Due to the negative revenue impacts of the COVID-19 pandemic, the Parking Services Fund ended FY20 in a negative position. A General Fund transfer is required to bring the fund from a negative position and a reduction in Balance Available is also required to balance the fund. This adjustment brings the FY21 Budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **PERS Employer Incentive Fund Contribution** : Decrease the Central Services Department operating appropriations by \$3,011, decrease the Planning and Development operating appropriations by \$15,348, and increase Balance Available by the \$18,359 due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

c) **Encumbrance Estimate Reconciliation** : Reduce the Planning and Development Department operating appropriations by \$169,843, decrease the Public Works Department operating appropriations by \$1,073, and increase Balance Available by \$170,916 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid.

530 Wastewater Utility Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	7,180,711	0	(1,407,760)	a	5,772,951
CHANGE TO WORKING CAPITAL					
REVENUE					
Taxes	0	0	0		0
Licenses/Permits	18,000	0	0		18,000
Intergovernmental	0	0	15,243	b	15,243
Rental	6,132	0	0		6,132
Charges for Services	61,025,997	0	3,278,305	a,b,c	64,304,302
Fines/Forfeitures	3,000	0	0		3,000
Miscellaneous	103,000	0	0		103,000
Total Revenue	61,156,129	0	3,293,548		64,449,677
TOTAL RESOURCES	68,336,840	0	1,885,788		70,222,628
II. REQUIREMENTS					
Department Operating					
Public Works	28,286,014	0	925,076	c,d,e	29,211,090
Total Department Operating	28,286,014	0	925,076		29,211,090
Capital Projects					
Capital Projects	2,140,000	0	15,243	b	2,155,243
Capital Carryover	4,688,741	0	(601,491)	f	4,087,250
Total Capital Projects	6,828,741	0	(586,248)		6,242,493
Non-Departmental					
Interfund Transfers	1,891,000	0	0		1,891,000
Special Payments	30,070,000	0	1,339,230	c	31,409,230
Balance Available	1,261,085	0	207,730	a,d,e,f	1,468,815
Total Non-Departmental	33,222,085	0	1,546,960		34,769,045
TOTAL REQUIREMENTS	68,336,840	0	1,885,788		70,222,628

530 Wastewater Utility Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$1,407,760, increase Charges for Services revenue by \$599,845, and decrease Balance Available by \$807,915. These adjustments bring the FY21 Budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **One-Time Funding Request** : Increase Intergovernmental revenue by \$15,243 and increase Capital Projects by the same amount for reimbursement from the University of Oregon for work performed at the Matthew Knight Arena in conjunction with the City of Eugene wastewater project at Villard.

c) **Reappropriations** : Increase Charges for Services revenue by \$2,678,460, increase the Public Works Department operating appropriations by \$1,339,230 and increase Special Payments by \$1,339,230 for major wastewater projects that were not completed in the prior fiscal year.

d) **PERS Employer Incentive Fund Contribution** : Decrease the Public Works Department operating budget for PERS costs by \$149,463 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

e) **Encumbrance Estimate Reconciliation** : Decrease the Public Works Department operating appropriations by \$264,691 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

f) **Capital Carryover Reconciliation** : Decrease Capital Carryover appropriations by \$601,491 and increase Balance Available by the same amount. This adjustment reconciles the FY21 Capital Carryover Estimate to the actual ending FY20 capital projects balance.

539 Stormwater Utility Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	15,414,351	0	(579,891)	a	14,834,460
CHANGE TO WORKING CAPITAL					
REVENUE					
Licenses/Permits	55,000	0	0		55,000
Intergovernmental	0	0	494,609	b,c,d	494,609
Rental	14,400	0	0		14,400
Charges for Services	20,763,185	0	0		20,763,185
Miscellaneous	224,000	0	0		224,000
Total Revenue	21,056,585	0	494,609		21,551,194
TOTAL RESOURCES	36,470,936	0	(85,282)		36,385,654
II. REQUIREMENTS					
Department Operating					
Public Works	17,934,251	0	(147,122)	b,c,d,e,g	17,787,129
Total Department Operating	17,934,251	0	(147,122)		17,787,129
Capital Projects					
Capital Projects	2,915,000	0	0		2,915,000
Capital Carryover	6,834,083	0	(702,771)	f	6,131,312
Total Capital Projects	9,749,083	0	(702,771)		9,046,312
Non-Departmental					
Interfund Transfers	1,303,000	0	0		1,303,000
Special Payments	15,000	0	0		15,000
Balance Available	7,469,602	0	764,611	a,b,e,f,g	8,234,213
Total Non-Departmental	8,787,602	0	764,611		9,552,213
TOTAL REQUIREMENTS	36,470,936	0	(85,282)		36,385,654

539 Stormwater Utility Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$579,891 and decrease Balance Available by the same amount. This adjustment brings the FY21 Budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **Reappropriations** : Recognize Intergovernmental revenues supporting previously budgeted Stormwater operating grants in the amount of \$422,109, increase Public Works Department operating appropriations by \$99,147, and increase Balance Available by \$322,962.

c) **New Revenues** : Recognize Intergovernmental revenue in the amount of \$60,000 for a State grant to complete analysis of the extension of public infrastructure to the Clear Lake Industrial site and increase Public Works Department operating appropriations by the same amount.

d) **CARES Act Adjustments for COVID-19 Response** : Increase Intergovernmental revenue by \$12,500 and increase Public Works Department operating appropriations by the same amount for software upgrades related to the COVID-19 response. This project will be reimbursed through CARES Act grant revenue.

e) **PERS Employer Incentive Fund Contribution** : Decrease the Public Works Department operating appropriations for PERS costs by \$102,321 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

f) **Capital Carryover Reconciliation** : Decrease Capital Carryover appropriation by \$702,771 and increase Balance Available by the same amount. This adjustment reconciles the FY21 Capital Carryover Estimate to the actual ending FY20 capital projects balance.

g) **Encumbrance Estimate Reconciliation** : Reduce the Public Works Department operating appropriations by \$216,448 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

592 Ambulance Transport Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	286,652	0	(391,014)	a	(104,362)
CHANGE TO WORKING CAPITAL					
REVENUE					
Intergovernmental	0	0	375,000	b	375,000
Charges for Services	9,740,000	0	0		9,740,000
Miscellaneous	650,000	0	0		650,000
Interfund Transfers	725,000	0	104,362	a	829,362
Total Revenue	11,115,000	0	479,362		11,594,362
TOTAL RESOURCES	11,401,652	0	88,348		11,490,000
II. REQUIREMENTS					
Department Operating					
Fire and Emergency Medical Services	10,017,672	0	88,348	a,b,c,d	10,106,020
Total Department Operating	10,017,672	0	88,348		10,106,020
Non-Departmental					
Interfund Transfers	1,383,980	0	0		1,383,980
Balance Available	0	0	0	a,c,d	0
Total Non-Departmental	1,383,980	0	0		1,383,980
TOTAL REQUIREMENTS	11,401,652	0	88,348		11,490,000

592 Ambulance Transport Fund

a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$391,014, increase Interfund Transfers for a General Fund transfer by \$104,362, decrease the Fire and Emergency Medical Services Department operating appropriations by \$172,185 and decrease Balance Available by \$114,467. Due to the declining revenues in the fund compounded with negative impacts of the COVID-19 pandemic on ambulance transports, the Ambulance Transport Fund ended FY20 in a negative position. A General Fund transfer is required to bring the fund from a negative position and a reduction in the operation appropriations and Balance Available are also required to balance the fund. This adjustment brings the FY21 Budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **CARES Act Adjustments for COVID-19 Response** : Increase Intergovernmental revenue by \$375,000 and increase Fire Department operating appropriations by the same amount for personal protective equipment, electrostatic sprayers, and an ambulance transport gurney related to the COVID-19 response. These projects will be reimbursed through CARES Act grant revenue.

c) **PERS Employer Incentive Fund Contribution** : Decrease the Fire Department operating appropriations for PERS costs by \$58,139 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

d) **Encumbrance Estimate Reconciliation** : Reduce the Fire Department operating appropriations by \$56,328 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

600 Fleet Services Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	20,551,135	0	3,315,937	a	23,867,072
CHANGE TO WORKING CAPITAL					
REVENUE					
Intergovernmental	0	0	0		0
Rental	66,750	0	0		66,750
Charges for Services	10,522,996	0	0		10,522,996
Miscellaneous	679,285	0	0		679,285
Interfund Transfers	1,435,000	0	0		1,435,000
Special Payments	120,000	0	0		120,000
Total Revenue	12,824,031	0	0		12,824,031
TOTAL RESOURCES	33,375,166	0	3,315,937		36,691,103
II. REQUIREMENTS					
Department Operating					
Public Works	16,166,716	0	1,576,906	b,c,d	17,743,622
Total Department Operating	16,166,716	0	1,576,906		17,743,622
Non-Departmental					
Interfund Transfers	429,000	0	0		429,000
Reserves	10,633,089	0	0		10,633,089
Special Payments	4,700,000	0	0		4,700,000
Balance Available	1,446,361	0	1,739,031	a,b,c,d	3,185,392
Total Non-Departmental	17,208,450	0	1,739,031		18,947,481
TOTAL REQUIREMENTS	33,375,166	0	3,315,937		36,691,103

600 Fleet Services Fund

a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$3,315,937 and increase Balance Available by \$3,315,937. These adjustments bring the FY21 Budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **PERS Employer Incentive Fund Contribution** : Decrease the Public Works Department operating appropriations for PERS costs by \$33,048 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

c) **Reappropriations** : Increase Public Works Department operating appropriations by \$1,853,518 for fleet replacements not completed in FY20 and decrease Balance Available by the same amount.

d) **Encumbrance Estimate Reconciliation** : Decrease the Public Works Department operating appropriations by \$243,564 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

610 Information Systems and Services Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	5,432,104	0	1,634,720	a	7,066,824
CHANGE TO WORKING CAPITAL					
REVENUE					
Charges for Services	7,694,758	0	0		7,694,758
Miscellaneous	117,979	0	0		117,979
Total Revenue	7,812,737	0	0		7,812,737
TOTAL RESOURCES	13,244,841	0	1,634,720		14,879,561
II. REQUIREMENTS					
Department Operating					
Central Services	9,374,924	0	428,455	b,c,d	9,803,379
Total Department Operating	9,374,924	0	428,455		9,803,379
Non-Departmental					
Interfund Transfers	356,000	0	0		356,000
Reserves	2,000,000	0	883,242	a	2,883,242
Reserve for Encumbrances	0	0	0		0
Balance Available	1,513,917	0	323,023	a,b,c,d	1,836,940
Total Non-Departmental	3,869,917	0	1,206,265		5,076,182
TOTAL REQUIREMENTS	13,244,841	0	1,634,720		14,879,561

610 Information Systems and Services Fund

a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$1,634,720, increase Reserves by \$883,242 and increase Balance Available by \$751,478. This adjustment brings the FY21 Budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **PERS Employer Incentive Fund Contribution** : Decrease the Central Services Department operating appropriations for PERS costs by \$28,929 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

c) **One-Time Funding Requests** : Increase Central Service Department operating appropriations by \$200,000 for emerging IT projects and \$341,829 for emerging Corporate Software needs, and decrease Balance Available by \$541,829.

d) **Encumbrance Estimate Reconciliation** : Reduce the Central Services Department operating appropriations by \$84,445 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.

615 Facilities Services Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	3,520,501	0	(397,569)	a	3,122,932
CHANGE TO WORKING CAPITAL					
REVENUE					
Rental	691,198	0	0		691,198
Charges for Services	11,019,223	0	0		11,019,223
Miscellaneous	82,000	0	0		82,000
Interfund Transfers	0	0	0		0
Special Payments	150,000	0	0		150,000
Total Revenue	11,942,421	0	0		11,942,421
TOTAL RESOURCES	15,462,922	0	(397,569)		15,065,353
II. REQUIREMENTS					
Department Operating					
Central Services	10,877,685	0	(198,220)	b,c	10,679,465
Planning and Development	705,858	0	(7,469)	b,c	698,389
Total Department Operating	11,583,543	0	(205,689)		11,377,854
Capital Projects					
Capital Projects	400,000	0	0		400,000
Capital Carryover	496,724	0	(379,464)	a,d	117,260
Total Capital Projects	896,724	0	(379,464)		517,260
Non-Departmental					
Debt Service	0	0	0		0
Interfund Transfers	740,000	0	0		740,000
Special Payments	0	0	0		0
Reserves	200,000	0	0		200,000
Reserve for Encumbrances	0	0	0		0
Balance Available	2,042,655	0	187,584	a,b,c,d	2,230,239
Total Non-Departmental	2,982,655	0	187,584		3,170,239
TOTAL REQUIREMENTS	15,462,922	0	(397,569)		15,065,353

615 Facilities Services Fund

- a) **Beginning Working Capital Reconciliation** : Decrease the budgeted Beginning Working Capital by \$397,569, decrease Capital Carryover by \$347,281 and decrease Balance Available by \$50,288. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.
- b) **PERS Employer Incentive Fund Contribution** : Decrease the Central Services Department operating appropriations for PERS costs by \$52,609, decrease the Planning and Development Department operating appropriations by \$525, and Balance Available by \$53,134 due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.
- c) **Encumbrance Estimate Reconciliation** : Decrease Central Services Department operating appropriations by \$145,611, decrease Planning and Development operating appropriations by \$6,944, and increase Balance Available by \$152,555 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid.
- d) **Capital Carryover Reconciliation** : Decrease Capital Carryover appropriation by \$32,183 and increase Balance Available by the same amount. This adjustment reconciles the FY21 Capital Carryover Estimate to the actual ending FY20 capital projects balance.

620 Risk and Benefits Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action		FY21 Revised
I. RESOURCES					
BEGINNING WORKING CAPITAL	28,489,808	0	1,540,224	a	30,030,032
CHANGE TO WORKING CAPITAL					
REVENUE					
Intergovernmental	235,000	0	163,000	b	398,000
Charges for Services	51,578,637	0	0		51,578,637
Miscellaneous	781,160	0	0		781,160
Interfund Transfers	0	0	0		0
Total Revenue	52,594,797	0	163,000		52,757,797
TOTAL RESOURCES	81,084,605	0	1,703,224		82,787,829
II. REQUIREMENTS					
Department Operating					
Central Services	47,543,768	0	31,449	b,c,d,e	47,575,217
Total Department Operating	47,543,768	0	31,449		47,575,217
Non-Departmental					
Debt Service	7,688,000	0	0		7,688,000
Interfund Transfers	255,000	0	742,168	f	997,168
Reserves	6,200,335	0	240,246	a	6,440,581
Reserve for Encumbrances	0	0	0		0
Balance Available	19,397,502	0	689,361	a,c,d,e,f	20,086,863
Total Non-Departmental	33,540,837	0	1,671,775		35,212,612
TOTAL REQUIREMENTS	81,084,605	0	1,703,224		82,787,829

620 Risk and Benefits Fund

- a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$1,540,224, increase Reserves by \$240,246, and increase Balance Available by \$1,299,978. These adjustments bring the FY21 Budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.
- b) **CARES Act Adjustments for COVID-19 Response** : Increase Intergovernmental revenue by \$163,000 and increase Central Services Department operating appropriations by the same amount for upgrades to the City of Eugene Emergency Operations Center related to the COVID-19 response. This project will be reimbursed through CARES Act grant revenue.
- c) **PERS Employer Incentive Fund Contribution** : Decrease the Central Services Department operating appropriation for PERS costs by \$20,624 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.
- d) **Reappropriations** : Increase Central Services Department operating appropriations by \$20,000 for work not completed in FY20 and decrease Balance Available by the same amount.
- e) **Encumbrance Estimate Reconciliation** : Reduce the Central Services Department operating appropriations by \$130,927 to reconcile the amount estimated for payment of obligations incurred but not paid in FY20 to the actual amount paid, and increase Balance Available by the same amount.
- f) **One-Time Funding Requests** : Increase Interfund Transfers by \$742,168 for General Fund transfer and decrease Balance Available by the same amount. The FY21 Adopted Budget included a one-time increase in internal service rates for the Risk and Benefits Fund to develop a permanent Emergency Operations Center (EOC). Due to the COVID-19 pandemic, the EOC project will not be going forward. The rate surcharge for the General Fund will be transferred to the Reserve for Revenue Shortfall.

630 Professional Services Fund

	FY21 Adopted	FY21 SB1 Action	FY21 SB2 Action	FY21 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	1,020,802	0	180,295 a	1,201,097
CHANGE TO WORKING CAPITAL				
REVENUE				
Charges for Services	8,814,000	0	0	8,814,000
Miscellaneous	24,000	0	0	24,000
Total Revenue	8,838,000	0	0	8,838,000
TOTAL RESOURCES	9,858,802	0	180,295	10,039,097
II. REQUIREMENTS				
Department Operating				
Public Works	8,422,404	0	(56,831) b	8,365,573
Total Department Operating	8,422,404	0	(56,831)	8,365,573
Non-Departmental				
Interfund Transfers	930,000	0	0	930,000
Reserves	292,100	0	0	292,100
Reserve for Encumbrances	0	0	0	0
Balance Available	214,298	0	237,126 a,b	451,424
Total Non-Departmental	1,436,398	0	237,126	1,673,524
TOTAL REQUIREMENTS	9,858,802	0	180,295	10,039,097

630 Professional Services Fund

a) **Beginning Working Capital Reconciliation** : Increase the budgeted Beginning Working Capital by \$180,295 and increase Balance Available by the same amount. This adjustment brings the FY21 budgeted Beginning Working Capital in compliance with the audited FY20 actual revenues and expenditures as determined by Isler CPA, the City's external auditor.

b) **PERS Employer Incentive Fund Contribution** : Decrease the Public Works Department operating appropriations for PERS costs by \$56,831 and increase Balance Available by the same amount due to a rate offset after the City's contribution of \$5 million towards the PERS Employer Incentive Fund.

Resolution Number 5314

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET;
MAKING APPROPRIATIONS FOR THE CITY OF EUGENE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2020,
AND ENDING JUNE 30, 2021.**

The City Council of the City of Eugene finds that Adopting the Supplemental Budget and Making Appropriations is necessary under ORS 294.471.

NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, A Municipal Corporation of the State of Oregon, as follows:

Section 1.

That the Supplemental Budget for the City of Eugene, Oregon, for the fiscal year beginning July 1, 2020, and ending June 30, 2021, as set forth in attached Exhibit A is hereby adopted.

Section 2.

The supplemental amounts for the fiscal year beginning July 1, 2020, and ending June 30, 2021, and for the purposes shown in attached Exhibit A are hereby appropriated.

Section 3.

That this Supplemental Budget is prepared in accordance with ORS 294.471(1), which authorizes the formulation of a supplemental budget resulting from "An occurrence or condition that is not ascertained when preparing the original budget or a previous supplemental budget for the current year or current budget period and that requires a change in financial planning." This Supplemental Budget was published in accordance with ORS 294.471(3).

Section 4.

This resolution complies with ORS 294.471(4), and does not authorize an increase in the levy of property taxes above the amount in the Adopted Budget publication.

City Recorder

EXHIBIT A

Amounts
in dollars

GENERAL FUND

Department Operating

Central Services	4,460,063
Fire and Emergency Medical Services	1,037,139
Library, Recreation and Cultural Services	842,271
Planning and Development	3,435,503
Police	460,557
Public Works	140,120

Total Department Operating	10,375,653
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Non-Departmental

Contingency	(12,000)
Interfund Transfers	2,599,926
Reserves	689,545

Total Non-Departmental	3,277,471
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TOTAL GENERAL FUND	13,653,124
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SPECIAL ASSESSMENT MANAGEMENT FUND

Department Operating

Central Services	(1,313)
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Total Department Operating	(1,313)
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Non-Departmental

* Balance Available	(575,224)
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Total Non-Departmental	(575,224)
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TOTAL SPECIAL ASSESSMENT MANAGEMENT FUND	(576,537)
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LIBRARY LOCAL OPTION LEVY FUND

Department Operating

Library, Recreation and Cultural Services	(24,766)
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Total Department Operating	(24,766)
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Non-Departmental

* Balance Available	307,762
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Total Non-Departmental	307,762
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TOTAL LIBRARY LOCAL OPTION LEVY FUND	282,996
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PARKS AND REC LOCAL OPTION LEVY

Department Operating	
Central Services	(5,066)
Police	(4,194)
Public Works	38,793
Total Department Operating	<u>29,533</u>
Non-Departmental	
* Balance Available	497,885
Total Non-Departmental	<u>497,885</u>
TOTAL PARKS AND REC LOCAL OPTION LEVY	<u>527,418</u>

PUBLIC SAFETY COMMUNICATIONS FUND

Department Operating	
Police	(14,738)
Total Department Operating	<u>(14,738)</u>
Non-Departmental	
* Balance Available	459,084
Total Non-Departmental	<u>459,084</u>
TOTAL PUBLIC SAFETY COMMUNICATIONS FUND	<u>444,346</u>

ROAD FUND

Department Operating	
Public Works	67,890
Total Department Operating	<u>67,890</u>
Non-Departmental	
* Balance Available	863,024
Total Non-Departmental	<u>863,024</u>
TOTAL ROAD FUND	<u>930,914</u>

TELECOM REGISTRATION/LICENSING FUND

Department Operating	
Central Services	1,473,233
Total Department Operating	<u>1,473,233</u>
Non-Departmental	
* Balance Available	1,357,039
Total Non-Departmental	<u>1,357,039</u>
TOTAL TELECOM REGISTRATION/LICENSING FUND	<u>2,830,272</u>

COMMUNITY SAFETY FUND

Department Operating	
Police	(9,534)
Total Department Operating	<u>(9,534)</u>
Non-Departmental	
* Balance Available	(933,243)
Total Non-Departmental	<u>(933,243)</u>
TOTAL COMMUNITY SAFETY FUND	<u>(942,777)</u>

HOUSING PROGRAMS AND CONSTRUCTION FUND

Department Operating	
Fire and Emergency Medical Services	(4,632)
Planning and Development	63,870
Public Works	(5,470)
Total Department Operating	<u>53,768</u>
Non-Departmental	
* Balance Available	435,219
Special Payments	300,000
Total Non-Departmental	<u>735,219</u>
TOTAL CONSTRUCTION AND RENTAL HOUSING FUND	<u>788,987</u>

SOLID WASTE/RECYCLING FUND

Department Operating	
Planning and Development	(42,542)
Total Department Operating	<u>(42,542)</u>
Non-Departmental	
* Balance Available	230,541
Total Non-Departmental	<u>230,541</u>
TOTAL SOLID WASTE/RECYCLING FUND	<u>187,999</u>

COMMUNITY DEVELOPMENT FUND

Department Operating	
Planning and Development	1,804,740
Total Department Operating	<u>1,804,740</u>
Capital Projects	
Capital Projects	(901,303)
Total Capital Projects	<u>(901,303)</u>

Non-Departmental	
* Reserves	(159,552)
* Balance Available	359,734
Special Payments	<u>(291,608)</u>
Total Non-Departmental	<u>(91,426)</u>
TOTAL COMMUNITY DEVELOPMENT FUND	<u>812,011</u>

LIBRARY, PARKS AND RECREATION SPECIAL REVENUE FUND

Capital Projects	
Capital Projects	<u>(43,832)</u>
Total Capital Projects	<u>(43,832)</u>
Non-Departmental	
* Reserves	180,337
* Balance Available	53,394
Special Payments	<u>79,228</u>
Total Non-Departmental	<u>312,959</u>
TOTAL LIBRARY, PARKS AND REC. SPECIAL REVENUE FUND	<u>269,127</u>

GENERAL OBLIGATION DEBT SERVICE FUND

Non-Departmental	
Debt Service	<u>37,734</u>
Total Non-Departmental	<u>37,734</u>
TOTAL GENERAL OBLIGATION DEBT SERVICE FUND	<u>37,734</u>

MISCELLANEOUS DEBT SERVICE FUND

Non-Departmental	
Debt Service	1,323,600
* Balance Available	16,748
Special Payments	<u>11,342,293</u>
Total Non-Departmental	<u>12,682,641</u>
TOTAL MISCELLANEOUS DEBT SERVICE FUND	<u>12,682,641</u>

SPECIAL ASSESSMENT BOND DEBT SERVICE FUND

Non-Departmental	
* Reserves	<u>13,561</u>
Total Non-Departmental	<u>13,561</u>
TOTAL SPECIAL ASSESSMENT BOND DEBT SVC. FUND	<u>13,561</u>

GENERAL CAPITAL PROJECTS FUND

Capital Projects	
Capital Projects	2,344,219
Total Capital Projects	<u>2,344,219</u>
Non-Departmental	
* Balance Available	(4,836,205)
Total Non-Departmental	<u>(4,836,205)</u>
TOTAL GENERAL CAPITAL PROJECTS FUND	<u>(2,491,986)</u>

SYSTEMS DEVELOPMENT CAPITAL PROJECTS FUND

Department Operating	
Planning and Development	(557)
Public Works	(2,211)
Total Department Operating	<u>(2,768)</u>
Capital Projects	
Capital Projects	(1,082,209)
Total Capital Projects	<u>(1,082,209)</u>
Non-Departmental	
* Balance Available	(5,090,342)
Total Non-Departmental	<u>(5,090,342)</u>
TOTAL SYSTEMS DEVELOPMENT CAP. PROJECTS FUND	<u>(6,175,319)</u>

TRANSPORTATION CAPITAL PROJECTS FUND

Capital Projects	
Capital Projects	(4,467,513)
Total Capital Projects	<u>(4,467,513)</u>
Non-Departmental	
* Balance Available	702,684
Total Non-Departmental	<u>702,684</u>
TOTAL TRANSPORTATION CAPITAL FUND	<u>(3,764,829)</u>

SPECIAL ASSESSMENTS CAPITAL PROJECTS FUND

Non-Departmental	
* Balance Available	(1,385,284)
Total Non-Departmental	<u>(1,385,284)</u>
TOTAL SPECIAL ASSESSMENTS CAP. PROJECTS FUND	<u>(1,385,284)</u>

MUNICIPAL AIRPORT FUND

Department Operating	
Fire and Emergency Medical Services	(17,493)
Police	(11,194)
Public Works	(304,853)
Total Department Operating	<u>(333,540)</u>
Capital Projects	
Capital Projects	(4,106,039)
Total Capital Projects	<u>(4,106,039)</u>
Non-Departmental	
* Reserves	(9,041,260)
* Balance Available	13,210,314
Total Non-Departmental	<u>4,169,054</u>
TOTAL MUNICIPAL AIRPORT FUND	<u>(270,525)</u>

PARKING SERVICES FUND

Department Operating	
Central Services	(3,011)
Planning and Development	(185,191)
Public Works	(1,073)
Total Department Operating	<u>(189,275)</u>
Non-Departmental	
* Balance Available	(510,078)
Total Non-Departmental	<u>(510,078)</u>
TOTAL PARKING SERVICES FUND	<u>(699,353)</u>

WASTEWATER UTILITY FUND

Department Operating	
Public Works	925,076
Total Department Operating	<u>925,076</u>
Capital Projects	
Capital Projects	(586,248)
Total Capital Projects	<u>(586,248)</u>
Non-Departmental	
* Balance Available	207,730
Special Payments	1,339,230
Total Non-Departmental	<u>1,546,960</u>
TOTAL WASTEWATER UTILITY FUND	<u>1,885,788</u>

STORMWATER UTILITY FUND

Department Operating	
Public Works	(147,122)
Total Department Operating	<u>(147,122)</u>
Capital Projects	
Capital Projects	(702,771)
Total Capital Projects	<u>(702,771)</u>
Non-Departmental	
* Balance Available	764,611
Total Non-Departmental	<u>764,611</u>
TOTAL STORMWATER UTILITY FUND	<u>(85,282)</u>

AMBULANCE TRANSPORT FUND

Department Operating	
Fire and Emergency Medical Services	88,348
Total Department Operating	<u>88,348</u>
TOTAL AMBULANCE TRANSPORT FUND	<u>88,348</u>

FLEET SERVICES FUND

Department Operating	
Public Works	1,576,906
Total Department Operating	<u>1,576,906</u>
Non-Departmental	
* Balance Available	1,739,031
Total Non-Departmental	<u>1,739,031</u>
TOTAL FLEET SERVICES FUND	<u>3,315,937</u>

INFORMATION SYSTEMS AND SERVICES FUND

Department Operating	
Central Services	428,455
Total Department Operating	<u>428,455</u>
Non-Departmental	
* Reserves	883,242
* Balance Available	323,023
Total Non-Departmental	<u>1,206,265</u>
TOTAL INFORMATION SYSTEMS AND SERVICES FUND	<u>1,634,720</u>

FACILITIES SERVICES FUND

Department Operating	
Central Services	(198,220)
Planning and Development	(7,469)
Total Department Operating	<u>(205,689)</u>
Capital Projects	
Capital Projects	(379,464)
Total Capital Projects	<u>(379,464)</u>
Non-Departmental	
* Balance Available	187,584
Total Non-Departmental	<u>187,584</u>
TOTAL FACILITIES SERVICES FUND	<u>(397,569)</u>

RISK AND BENEFITS FUND

Department Operating	
Central Services	31,449
Total Department Operating	<u>31,449</u>
Non-Departmental	
Interfund Transfers	742,168
* Reserves	240,246
* Balance Available	689,361
Total Non-Departmental	<u>1,671,775</u>
TOTAL RISK AND BENEFITS FUND	<u>1,703,224</u>

PROFESSIONAL SERVICES FUND

Department Operating	
Public Works	(56,831)
Total Department Operating	<u>(56,831)</u>
Non-Departmental	
* Balance Available	237,126
Total Non-Departmental	<u>237,126</u>
TOTAL PROFESSIONAL SERVICES FUND	<u>180,295</u>
TOTAL REQUIREMENTS - ALL FUNDS	<u>25,479,981</u>

* Reserves and Balance Available are not appropriated for spending and are shown for informational purposes only.