



Eugene City Council

500 E 4th Ave., Suite 302
Eugene, OR 97401
541-682-5010 • 541-682-5414 Fax
www.eugene-or.gov

EUGENE CITY COUNCIL AGENDA

January 26, 2026

7:30 p.m. CITY COUNCIL and URBAN RENEWAL AGENCY MEETING

City Council meetings will continue to be held in hybrid format using in person and 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 January 26, 2026;
Her Honor Mayor Kaarin Knudson Presiding

Councilors

Greg Evans, President
Eliza Kashinsky
Jennifer Yeh
Mike Clark

Lyndsie Leech Vice President
Matt Keating
Alan Zelenka
Randy Groves

7:30 p.m. CITY COUNCIL and URBAN RENEWAL AGENCY MEETING

1. ACTION: Election of City Council Officers for 2026
2. CEREMONIAL MATTERS
 - A. Proclamations
3. COMMITTEE REPORTS AND ITEMS OF INTEREST
4. PRIORITY GOAL ACTION: Adoption of a Resolution Approving a Low-Income Rental Housing Property Tax Exemption Renewal for Redwood Park Apartments
5. PRIORITY GOAL ACTION: Adoption of a Resolution Approving a Low-Income Rental Housing Property Tax Exemption Renewal for Westtown on 8th
6. PRIORITY GOAL ACTION: Approval of Resources for Housing Affordable to People with Low-Incomes
7. CONSENT CALENDAR 1
 - A. Approval of City Council Minutes
 - October 22, 2025 Work Session
 - October 27, 2025 Work Session

- October 27, 2025 Meeting
- November 10, 2025 Work Session
- November 10, 2025 Meeting
- November 12, 2025 Work Session
- December 5, 2025 Special Meeting
- December 10, 2025 Work Session

B. Approval of City Council Tentative Agenda

- 8. ACTION: Resolution Acknowledging Receipt of City of Eugene, Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025**
- 9. 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, 2025**
- 10. ACTION: An Ordinance Concerning Elections and Amending Sections 2.961, 2.964, 2.974, 2.975, 2.979, and 2.984 of the Eugene Code, 1971**
- 11. ACTION: An Ordinance Concerning State Traffic Laws; Amending Section 5.005 of the Eugene Code, 1971; and Providing an Immediate Effective Date**

12. PUBLIC COMMENT

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.

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

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Action: Election of City Council Officers for 2026

Meeting Date: January 26, 2026
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 1
Staff Contact: Katie LaSala
Phone: 541-682-5882

ISSUE STATEMENT

This item is to elect the 2026 City Council President and Vice President.

BACKGROUND

Each year the City Council elects a new president and vice president. The City Charter and City Code specify the role of Council President; the City Code outlines the process of selecting the President and Vice President.

Section 13 of the Charter states:

“Council - President.

- (1) Each year, at the first regular meeting of the council, or as soon as practicable, the council shall choose by ballot one of its members to serve as council president.
- (2) The council president shall preside at council meetings when the mayor is absent.
- (3) The council president shall function as mayor, with the powers and subject to the limitations of the office of mayor when the mayor:
 - (a) is absent from the city on leave granted by the council;
 - (b) has been absent from the city for 30 days or more; or
 - (c) has been physically unable to function as mayor for 30 days or more.”

Further, the Section 2.009 of the City Code states:

- (1) The council president shall be elected for a one-year term. That person who has served the longest on the council and has not previously acted as council president shall normally be entitled to election as the president. A councilor may be re-elected as president of the council only after the expiration of one year from the date the councilor last served as such president unless two-thirds of the total membership of the council votes otherwise. A councilor will not be eligible to be elected president who has not served as a councilor for at least two years.
- (2) The vice-president of the council shall be elected at the same time and in the same manner as the president of the council. A vice-president may be nominated and elected as president.
- (3) The candidates for president and vice-president of the council shall be nominated and elected by a majority vote at the first regular meeting of the council in each calendar year.”

Council Leadership History

Ward	Name	Last Served as President	Last Served as Vice President
1	Eliza Kashinsky		
2	Matt Keating	2024	2023
3	Alan Zelenka	2017	2016
4	Jennfier Yeh	2021	2020
5	Mike Clark	2018	2017
6	Greg Evans	Current (2025)	2015
7	Lyndsie Leech		Current (2025)
8	Randy Groves	2023	2024

SUGGESTED MOTION

1. Move to elect _____ as President of the City Council for 2026.

AND

2. Move to elect _____ as Vice President of the City Council for 2026.

FOR MORE INFORMATION

Staff Contact: Katie LaSala, City Recorder

Telephone: 541-682-5882

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

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Ceremonial Matters

Meeting Date: January 26, 2026
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 2
Staff Contact: Cherish Bradshaw
Phone: 541-682-8340

ISSUE STATEMENT

This item is to acknowledge awards and achievements and inform the public of proclamations by the Mayor. No action is required by the City Council.

BACKGROUND

Per City Council Operating Agreements, 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.

The following proclamation for the month of January will be highlighted during the January 26 meeting:

- January 1, 2026 – Human Trafficking Prevention Month
- January 3, 2026 – Mahayana New Year
- January 19, 2026 – Martin Luther King Jr. Day

ATTACHMENTS

- A. Human Trafficking Prevention Month Proclamation
- B. Mahayana New Year Proclamation
- C. Martin Luther King Jr. Day Proclamation

FOR MORE INFORMATION

Staff Contact: Cherish Bradshaw, Assistant, Mayor and City Council
Telephone: 541-682-8340
Staff E-Mail: cabradshaw@eugene-or.gov

OFFICE OF THE MAYOR

City of Eugene, Oregon

PROCLAMATION

WHEREAS: Human trafficking is a crime and a public health issue that harms the health and well-being of individuals, families, and communities, often across generations; and

WHEREAS: Human trafficking involves the exploitation of a person for labor, services, or commercial sex; and

WHEREAS: Human trafficking can happen to anyone, but certain populations are at greater risk, including people affected by abuse, violence, poverty, unstable living situations, or social disconnection. According to the National Human Trafficking Hotline, in 2024, 227 victims of human trafficking were identified in Oregon. As with other forms of abuse and violence, human trafficking is often under reported which impacts statistics; and

WHEREAS: It is essential that residents of Eugene work together to raise awareness in a way that honors those impacted. We must educate ourselves about the myths and facts of trafficking, spread the word about prevention and intervention resources, and join formal campaigns to end trafficking; and

WHEREAS: An effective response to human trafficking requires a coordinated and victim-centered approach that includes collaboration between community members, elected officials, governmental departments, law enforcement, service providers, medical professionals and lived experience experts to ensure survivors do not fall through the cracks as they seek safety and services throughout their journey.

NOW, THEREFORE, be it resolved that I, Kaarin Knudson, Mayor of the City of Eugene, Oregon, do hereby proclaim January 2026 to be

“Human Trafficking Prevention Month”

in Eugene and call upon all community members to join our efforts to increase awareness and work collaboratively to prevent human trafficking in our community.

Mayor Kaarin Knudson

City of Eugene

January 1, 2026

OFFICE OF THE MAYOR
City of Eugene, Oregon

PROCLAMATION

WHEREAS: Mahayana New Year marks a sacred time of spiritual renewal and reflection for Mahayana Buddhists, rooted in compassion, mindfulness, and the aspiration to serve all beings; and

WHEREAS: This observance is commonly tied to the first full moon of January, which in 2026 occurred on January 3, while other Mahayana traditions observe the holiday in conjunction with the East Asian Lunar New Year, typically falling in late January or February; and

WHEREAS: Devotees honor this occasion through practices such as temple visits, meditation, chanting of sutras, and offerings of flowers, candles, and incense, and acts of generosity such as giving to charitable causes and sharing food within the community; and

WHEREAS: The celebration also emphasizes purification and intention-setting, with rituals like bathing Buddha statues, cleaning homes and temples, and making vows for the year ahead; and

WHEREAS: Celebrating Mahayana New Year in Eugene enriches our city's cultural landscape, promotes intercultural understanding, and reflects shared civic values of compassion, mindfulness, and community service.

NOW, THEREFORE, be it resolved that I, Kaarin Knudson, Mayor of the City of Eugene, Oregon, do hereby proclaim January 3, 2026 to be

“Mahayana New Year”

in Eugene and invite all residents to join in honoring its principles of compassion, mindfulness, and renewal.

Mayor Kaarin Knudson
City of Eugene
January 3, 2026

OFFICE OF THE MAYOR
City of Eugene, Oregon

PROCLAMATION

WHEREAS: Dr. Martin Luther King, Jr.'s vision of the Beloved Community, a society rooted in justice, equity, and mutual respect, continues to guide and inspire the City of Eugene as we work together to build an inclusive community where all people feel a deep sense of belonging; and

WHEREAS: In 1955, the Reverend Dr. Martin Luther King, Jr. led the Montgomery Bus Boycott and became the first president of the Southern Christian Leadership Conference, created to put an end to the practice of segregation in this country; and

WHEREAS: In 1963, Dr. King led the March on Washington where he gave us his dream of a nation where every person would be judged by the content of their character rather than the color of their skin; and

WHEREAS: Dr. King was a “drum major” for peace who challenged and ultimately changed unjust laws through nonviolent civil disobedience and who was awarded the Nobel Peace Prize; and

WHEREAS: Dr. King became the co-chair of Clergy and Laity Concerned about Vietnam in 1967 after his famous speech in opposition to the war; and

WHEREAS: In 1968, Dr. King launched the Poor People's Campaign for economic and human rights; during this effort, supporting sanitation workers in Memphis, he was assassinated on April 4; and

WHEREAS: In honor of his service and sacrifice, the third Monday of January has been a federal holiday since 1986.

NOW, THEREFORE, I, Kaarin Knudson, Mayor of the City of Eugene, Oregon, do hereby proclaim January 19, 2026, to be

“Martin Luther King Jr. Day”

in the city of Eugene to honor a person of such outstanding leadership who used persuasion, love and non-violent resistance to make this a more just nation.

Kaarin Knudson
City of Eugene
January 19, 2026

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Committee Reports and Items of Interest

Meeting Date: January 26, 2026
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 3
Staff Contact: Rosa Roach
Phone: 541-682-8497

ISSUE STATEMENT

This portion of the agenda provides an opportunity for the Mayor, Councilors, and City Manager 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.

BACKGROUND

Per Council Operating Agreements adopted on October 23, 2023 (Resolution 5387), at regular meetings held on the second and fourth Mondays of each month, the first item on the agenda or following Ceremonial Matters and the Pledge of Allegiance, shall be "Committee Reports and Items of Interest from Mayor, City Council and City Manager."

ATTACHMENTS

None.

FOR MORE INFORMATION

Staff Contact: Rosa Roach, City Council Coordinator
Telephone: 541-682-8497
Staff E-Mail: rroach@eugene-or.gov

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Priority Goal Action: Adoption of a Resolution Approving a Low-Income Rental Housing Property Tax Exemption Renewal for Redwood Park Apartments

Meeting Date: January 26, 2026
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 4
Staff Contact: Laura Hammond
Phone: 541-682-5502

ISSUE STATEMENT

City Council is asked to adopt a resolution to renew a 20-year Low-Income Rental Housing Property Tax Exemption (LIRHPTE) for Redwood Park Apartments, an existing Affordable Housing development located at 4103 West 18th Avenue. The applicant is Kairos Investment Management Company, and the property owner of record is RP Eugene Partners, LLC. The development includes 231 low-income rental housing units.

BACKGROUND

Council adopted the LIRHPTE program in 1990. Since the adoption of the program, Council has approved tax exemptions for 44 Affordable Housing developments totaling more than 2,200 units. Council unanimously approved extending the LIRHPTE program for an additional ten years in 2020. The ordinance also enables recipients to apply for renewal of the 20-year LIRHPTE when a prior LIRHPTE period has expired. Council has approved LIRHPTE renewals for more than 500 units. Council reviews and takes action on each LIRHPTE request.

Developments must meet 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 at EC 2.939(3) 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; Council would need to adopt a resolution (Attachment C) that explains how the applicant has failed to demonstrate that the tax exemption is in the public interest.

The requested tax exemption renewal is for Redwood Park Apartments; an Affordable Housing development located at 4103 West 18th Avenue (see map in Attachment D). The development includes 231 low-income rental housing units (6 studio, 179 one-bedroom, and 46 two-bedroom units) and the common space serving those units. An additional one-bedroom unit serves as an on-site manager unit and would not be subject to the exemption.

Summary of requested tax exemption

In 2005, Council granted a LIRHPTE to Redwood Partners LLC for the Redwood Park Apartments development. Although the property was sold to RP Eugene Partners LLC, the property has continued to provide low-income rental housing since that time. Renewal of the LIRHPTE would allow the property to continue to offer low-income rental housing for the next 20 years.

The units currently have rents ranging from \$963 and \$1,239 for studio, one-, and two-bedroom

January 26, 2026 Meeting – Item 4

units, affordable to households earning at or below 60 percent AMI. The LIRHPTE will reduce operating costs allowing the development to maintain rents affordable at this level. The apartments would not be able to achieve their proposed level of affordability without the property tax exemption.

The requested exemption meets the substantive criteria at EC 2.939(3) as shown in the Report and Recommendation provided in Attachment A. No public comments were received during the public comment period.

RELATED CITY POLICIES

[Housing Implementation Pipeline](#) (HIP): The HIP lists the LIRHPTE program as an important tool for supporting housing that serves the public good. Approving the requested LIRHPTE renewal helps preserve affordable units furthering the HIP's 5-year goals of increasing and maintaining the number of Affordable Housing units available to the community.

The City of Eugene [Strategic Plan 2023-2026](#): The requested LIRHPTE, if approved, aligns with the City's strategic plan: Urgent Community Needs – Stabilize the cost of housing.

PREVIOUS COUNCIL DIRECTION

[August 8, 2005 Meeting](#)

Councilor Poling, seconded by Councilor Solomon, moved approval of the Consent Calendar including Item E. Adoption of Resolution 4853 Approving Low-Income Rental Housing Property Tax Exemption for the Property Located at 4103 West 18 Avenue, Eugene, Oregon (Assessor's Number 0718914) (Redwood Partners, LLC.).

Passed 8:0

[May 26, 2020 Meeting](#)

Councilor Semple, seconded by Councilor Yeh, moved to adopt an Ordinance Concerning Low-Income Rental Housing Property Tax Exemptions and Amending Sections 2.938, 2.939 and 2.940 of the Eugene Code, 1971; and Resolution Adopting Amended Standards and Guidelines for Processing Applications for Low-Income Rental Housing Property Tax Exemptions and Repealing Resolution No. 5028. (The ordinance extended the sunset date of the LIRHPTE program 10 years to July 1, 2030.)

Passed 8:0

COUNCIL OPTIONS

1. Approve the tax exemption.
2. Deny the tax exemption.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends that the council adopt the resolution in Attachment B approving renewal of a Low-Income Rental Housing Property Tax Exemption for Redwood Park Apartments.

SUGGESTED MOTION

Move to adopt the resolution in Attachment B to this AIS, approving a Low-Income Rental Housing Property Tax Exemption for property located at 4103 West 18th Avenue.

ATTACHMENTS

- A. Redwood Park Apartments Report and Recommendation
- B. Resolution Approving the Tax Exemption
- C. Resolution Denying the Tax Exemption
- D. Map of the Proposed Site - Potential LIRHPTE Renewal: Redwood Park Apartments

FOR MORE INFORMATION

Staff Contact: Laura Hammond, Housing Tools Analyst
Telephone: 541-682-5502
Staff E-Mail: LHammond@eugene-or.gov

**REPORT AND RECOMMENDATION
of the Community Development Manager
of the Planning and Development Department**

**Application of Kairos Investment Management Company
For Low-Income Rental Housing Property Tax Exemption
(Section 2.937 to 2.940 of the Eugene Code, 1971)
for Property Located at 4103 West 18th Avenue
REDWOOD PARK APARTMENTS**

**The Community Development Manager of the Planning and Development Department
of the City of Eugene finds that:**

1. On behalf of RP Eugene Partners, LLC, Kairos Investment Management Company (the applicant) has submitted an application for a property tax exemption for the real property known as Redwood Park Apartments, located at 4103 West 18th Avenue, Eugene, Oregon, 97402 (Assessor's Map 18-04-03-22 Tax Lots 00700 and 02400; Assessor's Property Account Nos. 0718914 and 0718955 ("the Property")). RP Eugene Partners, LLC, is the owner of the property that is the subject of this application.

The applicant has a business mailing address of Kairos Investment Management Company, 18101 Von Karman, Suite 1100, Irvine, California 92612. The applicant has submitted an application for an exemption from ad valorem property taxes through the City's Low-Income Rental Housing Property Tax Exemption (LIRHPTE) program (Sections 2.937 to 2.940 of the Eugene Code, 1971) for the Property, which includes 231 low-income rental housing units (6 studio, 179 one-bedroom, and 46 two-bedroom units) and the common space serving those units. The property also includes a single one-bedroom unit that serves as a manager unit and will not be subject to the exemption.

2. The Redwood Park Apartments housing development first received a Low-Income Rental Housing Property Tax Exemption (LIRHPTE) in 2006. The residential units have housed low-income households since that time. Under EC 2.940(6), in the final year of low-income housing tax exemptions, applications for subsequent low-income housing tax exemptions for the property may be submitted.

3. I have reviewed the application and find that the applicant has submitted all required materials and the application complies with the provisions of EC 2.939(3) and Section 2.1 of the Standards and Guidelines adopted by Resolution No. 5459. 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 required rent payment will reflect the full value of the property tax exemption.
- (d) The housing units on the property were constructed after February 12, 1990.
- (e) The applicant has complied with the policies set forth in Section 5 of the Standards and Guidelines for Processing Low-Income Rental Housing Property Tax Exemption Applications adopted by council Resolution No. 5459 (Standards and Guidelines).

(1) The owner has signed a Rent Regulatory Agreement as described in Section 5.1 of the Standards and Guidelines and said agreement will be in effect for the duration of the tax exemption period.

(2) As described in Section 5.2 of the Standards and Guidelines, the owner 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.

- (f) The development is consistent with the city's Housing Dispersal Policy.
- (g) The development does not cause the displacement of low-income persons.
- (h) The development does not cause destruction of historic properties.
- (i) The development is otherwise consistent with the Eugene Code and adopted city regulations and policies.

4. Comments have been solicited from interested City departments, 4J School District, and the affected neighborhood group. No comments were received.

Therefore, based on the above findings, the development conforms with all applicable City Code provisions, local plans, planning regulations, the Envision Eugene Comprehensive Plan, and the criteria set forth in the City's adopted Standards and Guidelines for Processing Low-Income Rental Housing Property Tax Exemption Applications, and I recommend that the application be approved.

Dated this 8 day of January, 2026.

Print: Will Dowdy Sign: *Will Dowdy*

Community Development Director of the Planning and Development Department

RESOLUTION NO. _____**A RESOLUTION APPROVING A LOW-INCOME RENTAL HOUSING PROPERTY TAX EXEMPTION FOR PROPERTY LOCATED ON WEST 18TH AVENUE IN EUGENE, OREGON (ASSESSOR'S MAP 18-04-03-22, TAX LOTS 00700 AND 02400; ASSESSOR'S PROPERTY ACCOUNT NOS. 0718914 AND 0718955) (APPLICANT KAIROS INVESTMENT MANAGEMENT COMPANY)****The City Council of the City of Eugene finds that:**

A. RP Eugene Partners, LLC (2151 Michelson Drive, Suite 282, Irvine, California, 92612) is the owner of real property located on West 18th Avenue in Eugene, Oregon (Assessor's Map 18-04-03-22, Tax Lots 00700 and 02400; Assessor's Property Account Nos. 0718914 and 0718955), more particularly described in Exhibit A attached to this Resolution (the Property.)

B. The Property first received a Low-Income Rental Housing Property Tax Exemption (LIRHPTE) in 2006. The residential units on the Property have housed low-income households since that time. Under Section 2.940(6) of the Eugene Code, 1971 (EC), in the final year of a low-income housing tax exemption, applications for subsequent low-income housing tax exemptions for the property may be submitted

C. Kairos Investment Management Company (18101 Von Karman Avenue, Suite 1100, Irvine, California 92612) (the applicant) has submitted an application for an exemption from ad valorem taxes on the Property beginning July 1, 2026, under the City's LIRHPTE Program (EC 2.937 through 2.940.)

D. The tax exemption being sought for the Property includes six studio units, 179 one-bedroom units, and 46 two-bedroom units, for a total of 231 low-income rental units, and common space serving those units. The Property also includes a single one-bedroom unit that serves as a manager unit and for which the applicant is not seeking a tax exemption.

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 EC 2.938, and is in compliance with the policies set forth in Section 5 of the Standards and Guidelines adopted by Resolution No. 5459. 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 set forth in Section 2.1 of the Standards and Guidelines adopted by Resolution No. 5459.

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 Kairos Investment Management Company for an ad valorem tax exemption under the City's Low-Income Rental Housing Tax Exemption Program for the property identified as Assessor's Map 18-04-03-22, Tax Lots 00700 and 02400; Assessor's Property Account Nos. 0718914 and 0718955; and more particularly described in Exhibit A attached to this Resolution, which includes six studio units, 179 one-bedroom units, and 46 two-bedroom units, for a total of 231 low-income rental units, and common space serving those units.

Section 2. The land and units described in Section 1 above are declared exempt from local ad valorem property taxation commencing July 1, 2026, 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. 5459, 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. That portion of the Property consisting of the one-bedroom manager unit is not eligible for the Low-Income Rental Housing Tax Exemption Program and is subject to ad valorem property taxation.

Section 4. 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, 2026. 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 5. This Resolution is effective immediately upon its passage by the City Council.

The foregoing Resolution adopted the ____ day of _____, 2026.

City Recorder

Exhibit A

Redwood Park Apartments

RP Eugene Partners, LLC

DESCRIPTION OF PROPERTY

Real property in the City of Eugene, County of Lane, State of Oregon, described as follows:

A TRACT OF LAND SITUATED IN THE NORTHWEST 1/4 OF SECTION 3, TOWNSHIP 18 SOUTH, RANGE 4 WEST, WILLAMETTE MERIDIAN, CITY OF EUGENE, LANE COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE J. WRIGHT DONATION LAND CLAIM NO. 41; THENCE ALONG THE NORTHERLY LINE THEREOF, NORTH 89° 36' 00" WEST, 241.61 FEET; THENCE LEAVING SAID LINE, NORTH 00° 24' 00" EAST, 40.00 FEET; THENCE 40.00 FEET FROM AND PARALLEL WITH THE SAID NORTHERLY LINE OF THE J. WRIGHT DONATION LAND CLAIM, NORTH 89° 36' 00" WEST, 10.00 FEET TO THE POINT OF BEGINNING; THENCE 40.00 FEET FROM AND PARALLEL WITH THE SAID NORTHERLY LINE OF THE J. WRIGHT DONATION LAND CLAIM, NORTH 89° 36' 00" WEST, 940.57 FEET; THENCE LEAVING SAID LINE NORTH 00° 06' 00" WEST, 405.68 FEET TO AN ANGLE POINT; THENCE NORTH 00° 00' 00" EAST, 446.88 FEET; THENCE SOUTH 89° 29' 10" EAST, 533.64 FEET TO THE NORTHWEST CORNER OF THE PLAT OF ALDRON COURT, LANE COUNTY OREGON PLAT RECORDS; THENCE ALONG THE WESTERLY LINE THEREOF AND ITS EXTENSION, SOUTH 00° 00' 53" EAST, 445.78 FEET TO THE SOUTHWEST CORNER OF THE PLAT OF LONDON PARK, SAID PLAT RECORDS; THENCE SOUTH 89° 35' 27" EAST, 7.03 FEET; THENCE SOUTH 00° 04' 45" WEST, 150.00 FEET; THENCE SOUTH 89° 35' 27" EAST, 399.85 FEET TO THE WESTERLY RIGHT OF WAY LINE OF BERTELSEN ROAD; THENCE ALONG SAID RIGHT OF WAY LINE SOUTH 00° 08' 09" WEST, 107.63 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A 40 FOOT PARALLEL OFFSET SPIRAL CURVE TO THE RIGHT, THE CENTERLINE OF WHICH HAS AN A = 1.0 FOOT AND A CENTERLINE LENGTH OF 300.00 FEET, THE CHORD OF WHICH BEARS SOUTH 00° 25' 46" EAST, 148.03 FEET TO THE POINT OF BEGINNING, IN LANE COUNTY, OREGON.

ALSO DESCRIBED AS:

A TRACT OF LAND STRIATED IN THE NORTHWEST 1/4 OF SECTION 3, TOWNSHIP 18 SOUTH, RANGE 4 WEST, WILLAME T T MERIDIAN, CITY OF EUGENE, LANE COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE 3. WRIGHT DONATION LAND CLAIM NO. 41; THENCE ALONG THE NORTHERLY LINE THEREOF, NORTH 89°36'00" WEST, 241.61 FEET; THENCE LEAVING SAID LINE, NORTH 00°24'00" EAST, 40.00 FEET; THENCE 40.00 FEET FROM AND PARALLEL WITH THE SAID NORTHERLY LINE OF THE 3. WRIGHT DONATION LAND CLAIM, NORTH 89°36'00" WEST, 12.42 FEET TO THE POINT OF BEGINNING; THENCE 40.00 FEET FROM AND PARALLEL WITH THE SAID NORTHERLY LINE OF THE 3. WRIGHT DONATION LAND CLAIM, NORTH 89°36'00" WEST, 938.15 FEET; THENCE LEAVING SAID LINE NORTH 00°06'00" WEST, 405.68 FEET TO AN ANGLE POINT; THENCE NORTH 00°00'00" EAST, 446.88 FEET; THENCE SOUTH 89°29'10" EAST, 533.64 FEET TO THE NORTHWEST CORNER OF THE PLAT OF ALDRON COURT, LANE COUNTY OREGON PLAT RECORDS; THENCE ALONG THE WESTERLY LINE THEREOF AND ITS EXTENSION, SOUTH 00°00'53" EAST, 445.78 FEET TO THE SOUTHWEST CORNER OF THE PLAT OF LONDON PARK, SAID PLAT RECORDS; THENCE SOUTH 89°35'21" EAST, 7.03 FEET; THENCE SOUTH 00°04'45" WEST, 150.00 FEET; THENCE SOUTH 89°35'77" EAST, 399.85 FEET TO THE WESTERLY RIGHT OF WAY LINE OF BERTELSEN ROAD; THENCE ALONG SAID RIGHT OF WAY LINE SOUTH 00°08'09" WEST, 107.63 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A 40 FOOT PARALLEL OFFSET SPIRAL CURVE TO THE RIGHT, THE CENTERLINE OF WHICH HAS AN ANGLE OF 180 DEGREES, A RADIUS OF 150.00 FEET, A CHORD BEARING SOUTH 00°30'14" WEST, 148.02 FEET TO THE POINT OF BEGINNING, IN LANE COUNTY, OR

RESOLUTION NO. _____**A RESOLUTION DENYING A LOW-INCOME RENTAL HOUSING PROPERTY TAX EXEMPTION FOR PROPERTY LOCATED ON WEST 18TH AVENUE IN EUGENE, OREGON (ASSESSOR'S MAP 18-04-03-22, TAX LOTS 00700 AND 02400; ASSESSOR'S PROPERTY ACCOUNT NOS. 0718914 AND 0718955) (APPLICANT KAIROS INVESTMENT MANAGEMENT COMPANY)****The City Council of the City of Eugene finds that:**

A. RP Eugene Partners, LLC (2151 Michelson Drive, Suite 282, Irvine, California, 92612) is the owner of real property located on West 18th Avenue in Eugene, Oregon (Assessor's Map 18-04-03-22, Tax Lots 00700 and 02400; Assessor's Property Account Nos. 0718914 and 0718955), more particularly described in Exhibit A attached to this Resolution (the Property.)

B. The Property first received a Low-Income Rental Housing Property Tax Exemption (LIRHPTE) in 2006. The residential units have housed low-income households since that time. Under Section 2.940(6) of the Eugene Code, 1971 (EC), in the final year of low-income housing tax exemptions, applications for subsequent low-income housing tax exemptions for the property may be submitted

C. Kairos Investment Management Company (18101 Von Karman Avenue, Suite 1100, Irvine, California 92612) (the applicant) has submitted an application for an exemption from ad valorem taxes on the Property beginning July 1, 2026, under the City's LIRHPTE Program (EC 2.937 through 2.940.)

D. The tax exemption being sought for the Property includes six studio units, 179 one-bedroom units, and 46 two-bedroom units, for a total of 231 low-income rental units, and common space serving those units. The Property also includes a single one-bedroom unit that serves as a manager unit and for which the applicant is not seeking a tax exemption.

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 EC 2.938, and is in compliance with the policies set forth in Section 5 of the Standards and Guidelines adopted by Resolution No. 5459. 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 set forth in Section 2.1 of the Standards and Guidelines adopted by Resolution No. 5459.

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 Kairos Investment Management Company for an ad valorem tax exemption under the City's Low-Income Rental Housing Property Tax Exemption Program for the property identified as Assessor's Map 18-04-03-22, Tax Lots 00700 and 02400; Assessor's Property Account Nos. 0718914 and 0718955; and more particularly described in 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 10 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 is effective immediately upon its passage by the City Council.

The foregoing Resolution adopted the ____ day of _____, 2026.

City Recorder

Exhibit A

Redwood Park Apartments

RP Eugene Partners, LLC

DESCRIPTION OF PROPERTY

Real property in the City of Eugene, County of Lane, State of Oregon, described as follows:

A TRACT OF LAND SITUATED IN THE NORTHWEST 1/4 OF SECTION 3, TOWNSHIP 18 SOUTH, RANGE 4 WEST, WILLAMETTE MERIDIAN, CITY OF EUGENE, LANE COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE J. WRIGHT DONATION LAND CLAIM NO. 41; THENCE ALONG THE NORTHERLY LINE THEREOF, NORTH 89° 36' 00" WEST, 241.61 FEET; THENCE LEAVING SAID LINE, NORTH 00° 24' 00" EAST, 40.00 FEET; THENCE 40.00 FEET FROM AND PARALLEL WITH THE SAID NORTHERLY LINE OF THE J. WRIGHT DONATION LAND CLAIM, NORTH 89° 36' 00" WEST, 10.00 FEET TO THE POINT OF BEGINNING; THENCE 40.00 FEET FROM AND PARALLEL WITH THE SAID NORTHERLY LINE OF THE J. WRIGHT DONATION LAND CLAIM, NORTH 89° 36' 00" WEST, 940.57 FEET; THENCE LEAVING SAID LINE NORTH 00° 06' 00" WEST, 405.68 FEET TO AN ANGLE POINT; THENCE NORTH 00° 00' 00" EAST, 446.88 FEET; THENCE SOUTH 89° 29' 10" EAST, 533.64 FEET TO THE NORTHWEST CORNER OF THE PLAT OF ALDRON COURT, LANE COUNTY OREGON PLAT RECORDS; THENCE ALONG THE WESTERLY LINE THEREOF AND ITS EXTENSION, SOUTH 00° 00' 53" EAST, 445.78 FEET TO THE SOUTHWEST CORNER OF THE PLAT OF LONDON PARK, SAID PLAT RECORDS; THENCE SOUTH 89° 35' 27" EAST, 7.03 FEET; THENCE SOUTH 00° 04' 45" WEST, 150.00 FEET; THENCE SOUTH 89° 35' 27" EAST, 399.85 FEET TO THE WESTERLY RIGHT OF WAY LINE OF BERTELSEN ROAD; THENCE ALONG SAID RIGHT OF WAY LINE SOUTH 00° 08' 09" WEST, 107.63 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A 40 FOOT PARALLEL OFFSET SPIRAL CURVE TO THE RIGHT, THE CENTERLINE OF WHICH HAS AN A = 1.0 FOOT AND A CENTERLINE LENGTH OF 300.00 FEET, THE CHORD OF WHICH BEARS SOUTH 00° 25' 46" EAST, 148.03 FEET TO THE POINT OF BEGINNING, IN LANE COUNTY, OREGON.

ALSO DESCRIBED AS:

A TRACT OF LAND STRIATED IN THE NORTHWEST 1/4 OF SECTION 3, TOWNSHIP 18 SOUTH, RANGE 4 WEST, WILLAME T T MERIDIAN, CITY OF EUGENE, LANE COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

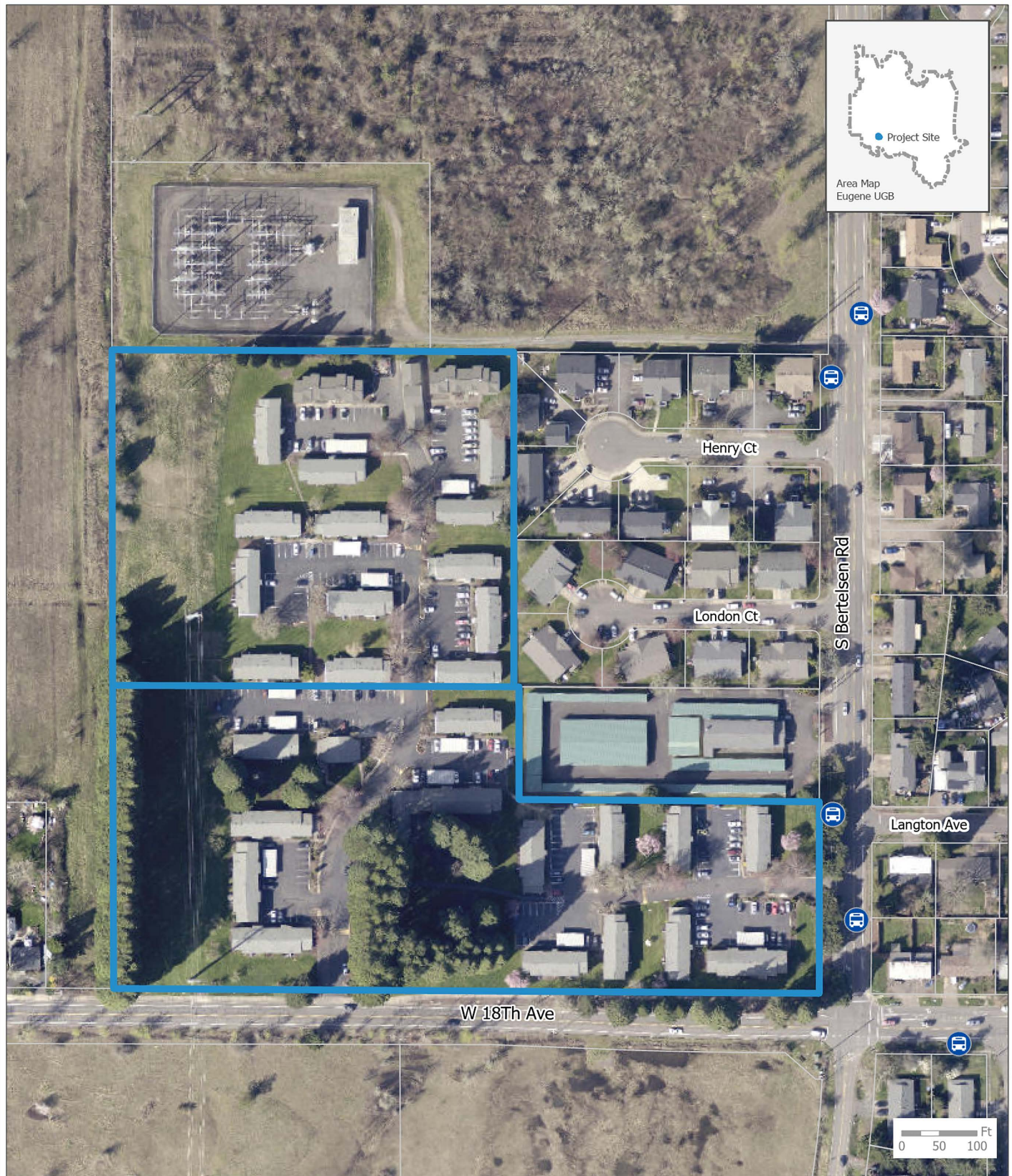
COMMENCING AT THE NORTHEAST CORNER OF THE 3. WRIGHT DONATION LAND CLAIM NO. 41; THENCE ALONG THE NORTHERLY LINE THEREOF, NORTH 89°36'00" WEST, 241.61 FEET; THENCE LEAVING SAID LINE, NORTH 00°24'00" EAST, 40.00 FEET; THENCE 40.00 FEET FROM AND PARALLEL WITH THE SAID NORTHERLY LINE OF THE 3. WRIGHT DONATION LAND CLAIM, NORTH 89°36'00" WEST, 12.42 FEET TO THE POINT OF BEGINNING; THENCE 40.00 FEET FROM AND PARALLEL WITH THE SAID NORTHERLY LINE OF THE 3. WRIGHT DONATION LAND CLAIM, NORTH 89°36'00" WEST, 938.15 FEET; THENCE LEAVING SAID LINE NORTH 00°06'00" WEST, 405.68 FEET TO AN ANGLE POINT; THENCE NORTH 00°00'00" EAST, 446.88 FEET; THENCE SOUTH 89°29'10" EAST, 533.64 FEET TO THE NORTHWEST CORNER OF THE PLAT OF ALDRON COURT, LANE COUNTY OREGON PLAT RECORDS; THENCE ALONG THE WESTERLY LINE THEREOF AND ITS EXTENSION, SOUTH 00°00'53" EAST, 445.78 FEET TO THE SOUTHWEST CORNER OF THE PLAT OF LONDON PARK, SAID PLAT RECORDS; THENCE SOUTH 89°35'21" EAST, 7.03 FEET; THENCE SOUTH 00°04'45" WEST, 150.00 FEET; THENCE SOUTH 89°35'77" EAST, 399.85 FEET TO THE WESTERLY RIGHT OF WAY LINE OF BERTELSEN ROAD; THENCE ALONG SAID RIGHT OF WAY LINE

SOUTH 00°08'09" WEST, 107.63 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A 40 FOOT PARALLEL OFFSET SPIRAL CURVE TO THE RIGHT, THE CENTERLINE OF WHICH HAS AN A

= 1.0 FOOT AND A CENTERLINE LENGTH OF 300.00 FEET, THE CHORD OF WHICH BEARS SOUTH 00°30'14" WEST, 148.02 FEET TO THE POINT OF BEGINNING, IN LANE C

Potential LIRHPTE Renewal: Redwood Park

(4103 W 18th Ave)

Attachment D

-  LTD Bus Stops
-  Potential LIRHPTE Site
-  Taxlots

Caution: This map is based on imprecise source data, subject to change, and for general reference only.

January 26, 2026 Meeting - Item 4

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Priority Goal Action: Adoption of a Resolution Approving a Low-Income Rental Housing Property Tax Exemption Renewal for Westtown on 8th

Meeting Date: January 26, 2026
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 5
Staff Contact: Laura Hammond
Phone: 541-682-5502

ISSUE STATEMENT

City Council is asked to adopt a resolution to renew a 20-year Low-Income Rental Housing Property Tax Exemption (LIRHPTE) for Westtown on 8th, an existing Affordable Housing development located at 265 West 8th Avenue. The applicant is Cornerstone Community Housing, and the property owner of record is Westtown on 8th, LLC. The development includes 102 low-income rental housing units.

BACKGROUND

Council adopted the LIRHPTE program in 1990. Since the adoption of the program, Council has approved tax exemptions for 44 Affordable Housing developments totaling more than 2,200 units. Council unanimously approved extending the LIRHPTE program for an additional ten years in 2020. The ordinance also enables recipients to apply for renewal of the 20-year LIRHPTE when a prior LIRHPTE period has expired. Council has approved LIRHPTE renewals for more than 500 units. Council reviews and takes action on each LIRHPTE request.

Developments must meet 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 at EC 2.939(4) 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; Council would need to adopt a resolution (Attachment C) that explains how the applicant has failed to demonstrate that the tax exemption is in the public interest.

The requested tax exemption renewal is for Westtown on 8th, an Affordable Housing development located at 265 West 8th Avenue (see map in Attachment D). The development includes 102 low-income rental housing units (31 studios, 54 one-bedroom, and 17 two-bedroom units) and common areas serving the units. The property also includes eight market-rate live/workspaces and one commercial space that are not income restricted and not included in the LIRHPTE.

Summary of requested tax exemption

In 2005, Council granted a LIRHPTE to Metropolitan Affordable Housing Corporation (now dba Cornerstone Community Housing) for the Westtown on 8th development. The property has provided low-income rental housing since construction was completed in 2008. Renewal of the LIRHPTE would allow the property to continue to offer low-income rental housing for the next 20 years.

The units currently have rents ranging from \$802 and \$1,239 for studio, one-, and two-bedroom units, affordable to households earning at or below 50 percent and 60 percent AMI. Without the tax

January 26, 2026 Meeting – Item 5

exemption, property expenses would increase significantly, reducing resources for maintenance and resident services. The property would not be financially solvent and able to maintain the same high standards of quality, safe, Affordable Housing without the continued property tax exemption.

The requested exemption meets the substantive criteria at EC 2.939(4) as shown in the Report and Recommendation provided in Attachment A. Public comments received during the public comment period inquired about the amount of the exemption, whether this was an existing subsidized Affordable Housing development and expressed support for the exemption for Westtown on 8th.

RELATED CITY POLICIES

[Housing Implementation Pipeline](#) (HIP): The HIP lists the LIRHPTE program as an important tool for supporting housing that serves the public good. Approving the requested LIRHPTE renewal helps preserve affordable units furthering the HIP's 5-year goals of increasing and maintaining the number of Affordable Housing units available to the community.

The City of Eugene [Strategic Plan 2023-2026](#): The requested LIRHPTE, if approved, aligns with the City's strategic plan: Urgent Community Needs – Stabilize the cost of housing.

PREVIOUS COUNCIL DIRECTION

[August 8, 2005 Meeting](#)

Councilor Poling, seconded by Councilor Solomon, moved approval of the Consent Calendar including Item D. Adoption of Resolution 4852 Approving a Low-Income Rental Housing Property Tax Exemption for the Property Located at 265 West 8th Avenue, Eugene, Oregon (Assessor's Number 17-03-31-12 Tax Lots 13700, 14100, 14200) (Metropolitan Affordable housing Corporation).

Passed 8:0

[May 26, 2020 Meeting](#)

Councilor Semple, seconded by Councilor Yeh, moved to adopt an Ordinance Concerning Low-Income Rental Housing Property Tax Exemptions and Amending Sections 2.938, 2.939 and 2.940 of the Eugene Code, 1971; and Resolution Adopting Amended Standards and Guidelines for Processing Applications for Low-Income Rental Housing Property Tax Exemptions and Repealing Resolution No. 5028. (The ordinance extended the sunset date of the LIRHPTE program 10 years to July 1, 2030.)

Passed 8:0

COUNCIL OPTIONS

1. Approve the tax exemption.
2. Deny the tax exemption.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends that the council adopt the resolution in Attachment B approving renewal of a Low-Income Rental Housing Property Tax Exemption for Westtown on 8th.

January 26, 2026 Meeting – Item 5

SUGGESTED MOTION

Move to adopt the resolution in Attachment B to this AIS, approving a Low-Income Rental Housing Property Tax Exemption for property located at 265 West 8th Avenue.

ATTACHMENTS

- A. Westtown on 8th Report and Recommendation
- B. Resolution Approving the Tax Exemption
- C. Resolution Denying the Tax Exemption
- D. Map of the Proposed Site - Potential LIRHPTE Renewal: Westtown on 8th

FOR MORE INFORMATION

Staff Contact: Laura Hammond, Housing Tools Analyst
Telephone: 541-682-5502
Staff E-Mail: LHammond@eugene-or.gov

**REPORT AND RECOMMENDATION
of the Community Development Manager
of the Planning and Development Department**

**Application of Westtown on 8th, LLC
For Low-Income Rental Housing Property Tax Exemption
(Section 2.937 to 2.940 of the Eugene Code, 1971)
for Property at 265 W 8th Avenue, Eugene, OR 97401
WESTTOWN ON 8TH**

The Community Development Manager of the Planning and Development Department of the City of Eugene finds that:

1. On behalf of Westtown on 8th, LLC, Metropolitan Affordable Housing Corp dba Cornerstone Community Housing (Cornerstone or the applicant) has submitted an application for a property tax exemption for the real property known as Westtown on 8th and located at 265 W 8th Avenue, Eugene, Oregon 97401 (Assessor's Map 17-03-31-12 Tax Lots 13700, 14100, and 14200; Assessor's Property Account No. 0260289, 0260339, and 0260321). Westtown on 8th LLC is the owner of the property that is the subject of the application. Westtown on 8th LLC is a single member limited liability company (LLC), and Cornerstone is the sole member of the LLC. ORS 307.022 provides that a single-member LLC, wholly owned by a nonprofit corporation, is eligible for the LIRHPTE to the same extent as a nonprofit corporation; therefore, as a single-member LLC, wholly owned by Cornerstone, a nonprofit corporation, Westtown on 8th LLC is eligible for the LIRHPTE to the same extent as Cornerstone is.

Cornerstone has a business location of 1175 Charnelton Street, Eugene, OR 97401. Cornerstone has submitted an application for an exemption from ad valorem taxes through the City's Low-Income Rental Housing Property Tax Exemption (LIRHPTE) program (Sections 2.937 to 2.940 of the Eugene Code, 1971) for 102 low-income rental housing units (31 studios, 54 one-bedroom, and 17 two-bedroom units) and the common space serving those units. The property also includes eight market rate live/work spaces and one commercial space which will not be subject to the exemption.

2. The Westtown on 8th housing development first received a Low-Income Rental Housing Property Tax Exemption (LIRHPTE) for the property in 2006. The residential units have housed low-income households since that time. Under EC 2.940(6), in the final year of low-income housing tax exemptions, applications for subsequent low-income housing tax exemptions for the property may be submitted.

3. I have reviewed the application and find that the applicant has submitted all required materials and complies with the provisions of EC 2.939(4) and subsections 2.1.5 through 2.1.9 and Section 2.2 of the Standards and Guidelines adopted by Resolution No. 5459. 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 Limited Liability Company of which Cornerstone, a

nonprofit corporation organized in a manner that meets the criteria for a public benefit corporation as described under ORS 65.001(38), is the sole member. ORS 307.022 provides that as a single-member LLC, wholly owned by a nonprofit corporation, Westtown on 8th LLC is eligible for the LIRHPTE to the same extent as a nonprofit corporation.

- (d) The property is owned by a Limited Liability Company in which Cornerstone, 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, is the sole member. ORS 307.022 provides that as a single-member LLC, wholly owned by a nonprofit corporation, Westtown on 8th LLC is eligible for the LIRHPTE to the same extent as a nonprofit corporation.
- (e) The applicant has complied with the policies set forth in Section 5 of the Standards and Guidelines for Processing Low-Income Rental Housing Property Tax Exemption Applications adopted by council Resolution No. 5459 (Standards and Guidelines).
 - (1) The owner has signed a Rent Regulatory Agreement as described in Section 5.1 of the Standards and Guidelines and said agreement will be in effect for the duration of the tax exemption period.
 - (2) As described in Section 5.2 of the Standards and Guidelines, the owner 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.
- (f) The development is consistent with the city's Housing Dispersal Policy.
- (g) The development does not cause the displacement of low-income persons.
- (h) The development does not cause destruction of historic properties.
- (i) The development is otherwise consistent with the Eugene Code and adopted city regulations and policies.

4. Comments have been solicited from interested City departments, 4J School District, and the affected neighborhood group. Public comments received during the public comment period inquired about the amount of the exemption, whether this was an existing subsidized Affordable Housing development and expressed support for the exemption for Westtown on 8th.

Therefore, based on the above findings, the proposed project conforms with all applicable City Code provisions, local plans, planning regulations, the Envision Eugene Comprehensive Plan, and the criteria set forth in the City's adopted Standards and Guidelines for Processing Low-Income Rental Housing Property Tax Exemption Applications, and I recommend that the application be approved.

Dated this 8 day of January, 2026.

Print: Will Dowdy

Sign: *Will Dowdy*

Community Development Director of the Planning and Development Department

RESOLUTION NO. _____

A RESOLUTION APPROVING A LOW-INCOME RENTAL HOUSING PROPERTY TAX EXEMPTION FOR PROPERTY LOCATED ON WEST 8TH AVENUE IN EUGENE, OREGON (ASSESSOR'S MAP 17-03-31-12, TAX LOTS 13700, 14100, AND 14200; ASSESSOR'S PROPERTY ACCOUNT NOS. 0260289, 0260339, AND 0260321) (APPLICANT METROPOLITAN AFFORDABLE HOUSING CORPORATION DBA CORNERSTONE COMMUNITY HOUSING)

The City Council of the City of Eugene finds that:

A. Westtown on 8th LLC (PO Box 11923, Eugene, Oregon, 97440) is the owner of real property located on West 8th Avenue in Eugene, Oregon (Assessor's Map 17-03-31-12, Tax Lots 13700, 14100, and 14200; Assessor's Property Account Nos. 0260289, 0260339, and 0260321), more particularly described in Exhibit A attached to this Resolution (the Property.)

B. The Property first received a Low-Income Rental Housing Property Tax Exemption (LIRHPTE) in 2006. The residential units have housed low-income households since that time. Under Section 2.940(6) of the Eugene Code, 1971 (EC), in the final year of low-income housing tax exemptions, applications for subsequent low-income housing tax exemptions for the property may be submitted

C. Metropolitan Affordable Housing Corporation dba Cornerstone Community Housing (1175 Charnelton Street, Eugene, Oregon, 97401) (the applicant) has submitted an application for an exemption from ad valorem taxes on the Property beginning July 1, 2026, under the City's LIRHPTE Program (EC 2.937 through 2.940.)

D. The applicant is seeking a tax exemption for the portion of the Property that includes 31 studio units, 54 one-bedroom units, and 17 two-bedroom units, for a total of 102 low-income rental units, as well as the common space serving those units. The Property also includes eight market-rate live/work spaces and one commercial space. The applicant is not seeking a tax exemption for those portions of the 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 EC 2.938, and is in compliance with the policies set forth in Section 5 of the Standards and Guidelines adopted by Resolution No. 5459. In addition, the Community Development Manager found that the applicant has complied with the criteria for approval provided in EC 2.939(4) and the eligibility requirements set forth in subsections 2.1.5 through 2.1.9 and Section 2.2 of the Standards and Guidelines adopted by Resolution No. 5459.

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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 Metropolitan Affordable Housing Corporation dba Cornerstone Community Housing for an ad valorem tax exemption under the City's Low-Income Rental Housing Tax Exemption Program for the property identified as Assessor's Map 17-03-31-12, Tax Lots 13700, 14100, and 14200; Assessor's Property Account Nos. 0260289, 0260339, and 0260321; and more particularly described in Exhibit A attached to this Resolution. Specifically, the City Council approves the exemption for that portion of the Property consisting of 102 low-income rental units (31 studio units, 54 one-bedroom units, and 17 two-bedroom units), as well as the common space serving those units.

Section 2. The land and units described in Section 1 above are declared exempt from local ad valorem property taxation commencing July 1, 2026, 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. 5459, 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. That portion of the Property consisting of eight market-rate live/work spaces and one commercial space is not eligible for the Low-Income Rental Housing Tax Exemption Program and is subject to ad valorem property taxation.

Section 4. 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, 2026. 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 5. This Resolution is effective immediately upon its passage by the City Council.

The foregoing Resolution adopted the ____ day of _____, 2026.

City Recorder

Exhibit A

(Legal Description of Lot B, owned by WestTown on 8th, LLC)

Lots 7, 8 and 9, Block 8, SKINNER'S ADDITION ON THE WEST, as platted and recorded in Book G, Page 229, Lane County Oregon Plat Records, in Lane County, Oregon.

RESOLUTION NO. _____

A RESOLUTION DENYING A LOW-INCOME RENTAL HOUSING PROPERTY TAX EXEMPTION FOR PROPERTY LOCATED ON WEST 8TH AVENUE IN EUGENE, OREGON (ASSESSOR'S MAP 17-03-31-12, TAX LOTS 13700, 14100, AND 14200; ASSESSOR'S PROPERTY ACCOUNT NOS. 0260289, 0260339, AND 0260321) (APPLICANT METROPOLITAN AFFORDABLE HOUSING CORPORATION DBA CORNERSTONE COMMUNITY HOUSING)

The City Council of the City of Eugene finds that:

A. Westtown on 8th LLC (PO Box 11923, Eugene, Oregon, 97440) is the owner of real property located on West 8th Avenue in Eugene, Oregon (Assessor's Map 17-03-31-12, Tax Lots 13700, 14100, and 14200; Assessor's Property Account Nos. 0260289, 0260339, and 0260321), more particularly described in Exhibit A attached to this Resolution (the Property.)

B. The Property first received a Low-Income Rental Housing Property Tax Exemption (LIRHPTE) in 2006. The residential units have housed low-income households since that time. Under Section 2.940(6) of the Eugene Code, 1971 (EC), in the final year of low-income housing tax exemptions, applications for subsequent low-income housing tax exemptions for the property may be submitted

C. Metropolitan Affordable Housing Corporation dba Cornerstone Community Housing (1175 Charnelton Street, Eugene, Oregon, 97401) (the applicant) has submitted an application for an exemption from ad valorem taxes on the Property beginning July 1, 2026, under the City's LIRHPTE Program (EC 2.937 through 2.940.)

D. The applicant is seeking a tax exemption for the portion of the Property that includes 31 studio units, 54 one-bedroom units, and 17 two-bedroom units, for a total of 102 low-income rental units, as well as the common space serving those units. The Property also includes eight market-rate live/work spaces and one commercial space. The applicant is not seeking a tax exemption for those portions of the 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 EC 2.938, and is in compliance with the policies set forth in Section 5 of the Standards and Guidelines adopted by Resolution No. 5459. In addition, the Community Development Manager found that the applicant has complied with the criteria for approval provided in EC 2.939(4) and the eligibility requirements set forth in subsections 2.1.5 through 2.1.9 and Section 2.2 of the Standards and Guidelines adopted by Resolution No. 5459.

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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 Metropolitan Affordable Housing Corporation dba Cornerstone Community Housing for an ad valorem tax exemption under the City's Low-Income Rental Housing Tax Exemption Program for the property identified as Assessor's Map 17-03-31-12, Tax Lots 13700, 14100, and 14200; Assessor's Property Account Nos. 0260289, 0260339, and 0260321; and more particularly described in Exhibit A attached to this Resolution, because the applicant has failed to demonstrate satisfactory compliance with the criteria in Section 2.939(4) 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 10 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 is effective immediately upon its passage by the City Council.

The foregoing Resolution adopted the ____ day of _____, 2026.

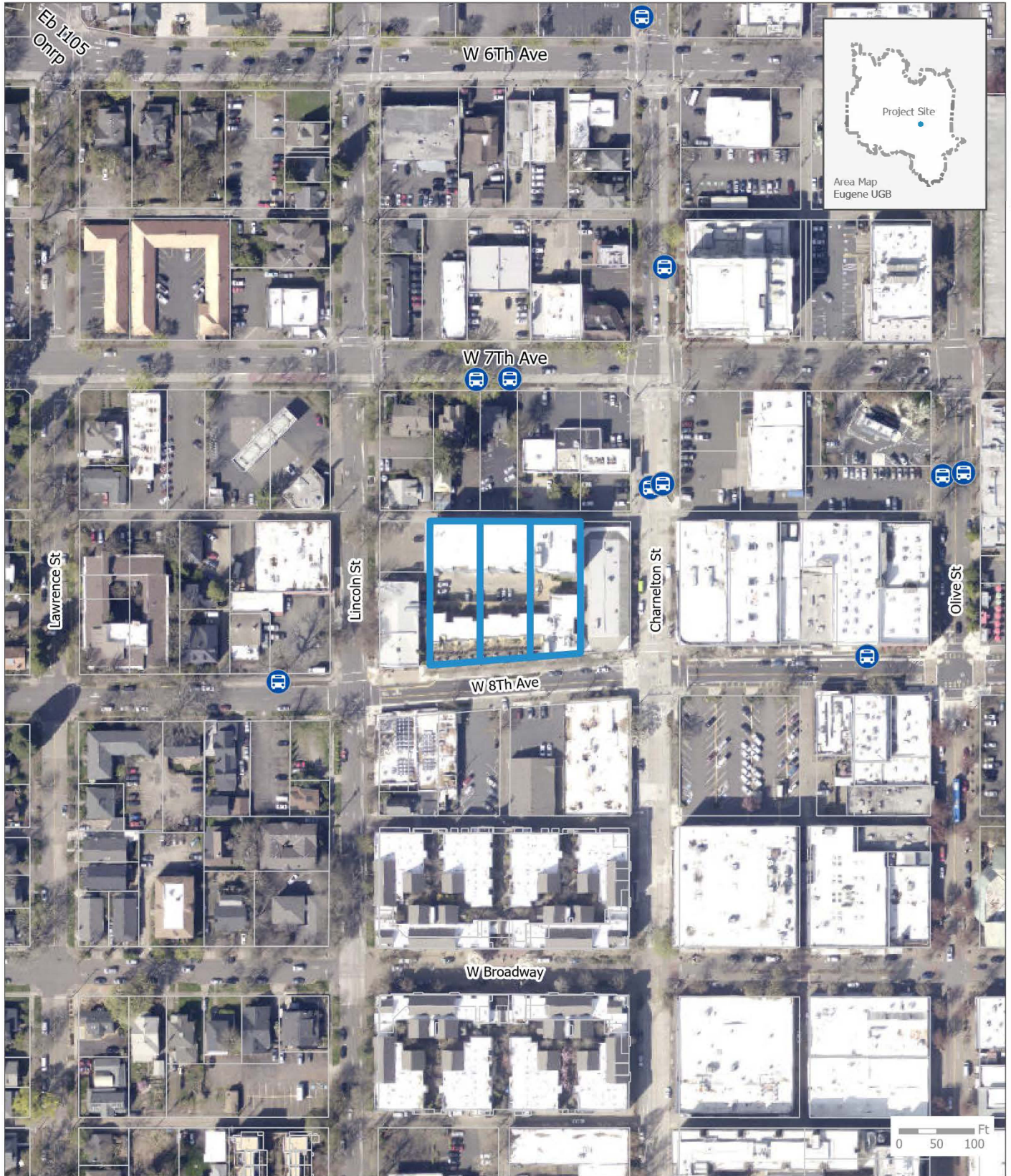
City Recorder

Exhibit A

(Legal Description of Lot B, owned by WestTown on 8th, LLC)

Lots 7, 8 and 9, Block 8, SKINNER'S ADDITION ON THE WEST, as platted and recorded in Book G, Page 229, Lane County Oregon Plat Records, in Lane County, Oregon.

Potential LIRHPTE Renewal: Westtown on 8th (265 W 8th Ave)



-  LTD Bus Stops
-  Potential LIRHPTE Site
-  Taxlots

Caution: This map is based on imprecise source data, subject to change, and for general reference only.

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Priority Goal Action: Approval of Resources for Housing Affordable to People with Low-Incomes

Meeting Date: January 26, 2026
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 6
Staff Contact: Ellen Meyi-Galloway
Phone: 541-682-5532

ISSUE STATEMENT

Council is asked to award ownership of a City-owned property at 1091 Coburg Road and to recommend the use of Federal HOME Investment Partnerships Program (HOME) funds for a development proposal submitted by Cascade Housing Association (Cascade) in response to the Eugene-Springfield HOME Consortium's 2025 Affordable Housing Request for Proposals (HOME RFP). Cascade is proposing to construct 27 units of affordable rental housing on the property.

BACKGROUND

The federal HOME program is administered by the U.S. Department of Housing and Urban Development (HUD). The HOME RFP process is guided by the priority needs and strategies identified in the Eugene-Springfield 2025 Consolidated Plan, the Annual Action Plans, and the Eugene-Springfield HOME Intergovernmental Agreement.

The Consolidated Plan identified priority community needs for low-income renters, low-income homeowners, people experiencing homelessness, non-homeless special populations, and people who are unemployed/underemployed. To help meet these community needs, the City encourages the development of income-qualified housing serving households that earn no more than 80 percent of the area median income ("Affordable Housing"). One way the City expands Affordable Housing opportunities for people with low incomes is through the HOME program. The Consolidated Plan established a 5-year goal to increase the Affordable Housing supply by 300 units using federal HOME funds.

During the Consolidated Plan period of 2020–2025, six development projects were funded resulting in 278 units of newly constructed housing that are now completed and occupied. Also, during that period, an additional 171 new units were funded that are now under construction or in the pipeline to be constructed by 2030. Meeting the Consolidated Plan goals depends on federal funds being allocated by Congress annually. Housing development financing is impacted by current market challenges such as rising construction costs, rising operating costs particularly related to insurance costs, interest rates for private financing, timing and availability of non-competitive State funding, competition for limited State tax credit financing, availability of affordable land, and more.

HOME Consortium

In 1992, the cities of Eugene and Springfield formed the Eugene-Springfield HOME Consortium. Eugene receives the HOME funds from HUD on behalf of the HOME Consortium and is responsible for the oversight and administration of HOME funds in both jurisdictions. The HOME funds received

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by the Consortium continue to decrease each year and when adjusted for inflation, the HOME funds received by Eugene are about half of what the City received 20 years ago.

HOME funds are offered by the cities as a development subsidy through the annual HOME RFP process. The HOME Consortium Governing Board (Governing Board) makes the final decisions on the use and allocation of HOME funds based on the input from the HOME Consortium's Evaluation Committee and the recommendations of the Eugene and Springfield City Councils. The Consortium's Governing Board is composed of the Eugene and Springfield Mayors, one Springfield City Councilor, and one Eugene City Councilor.

RFP Process

Through the 2025 HOME RFP, Eugene offered \$1,213,908 (\$733,165 in FY26 funds and \$480,743 in HOME funding left over from previous fiscal years(FY)) and Springfield offered \$1,072,747 (\$244,389 in FY26 funds and \$828,358 in HOME funding left over from previous fiscal years) for development projects in Eugene and Springfield to serve people with low incomes .

There is some uncertainty about the timing and future availability of the FY26 HOME funds that is different from previous years. The FY26 HUD grant agreement included new requirements, some of which violate Oregon law and the Eugene Code, and that Eugene and other local governments have challenged in court. In the preliminary stages of that litigation, the court ruled in favor of Eugene and the other local governments and issued a preliminary injunction that prevents HUD from enforcing these new requirements. For the time being, that favorable result allows the Consortium to continue to participate in the HOME program and allowed the City of Eugene to sign the FY26 HOME grant agreement on behalf of the Consortium. However, that initial ruling has been appealed and if it is overturned, that could affect the Consortium's ability to participate in the HOME program and the availability of funding under the RFP. The RFP applicants were informed that awards of FY26 funds are dependent on the eventual availability of those funds subject to the status of legal proceedings.

In addition to HOME funds, the City made available through the RFP the 0.89-acre Eugene-owned property located at 1091 Coburg Road in the Harlow neighborhood that was acquired in 2024 with federal Community Development Block Grant funds for Affordable Housing development, as directed by City Council. The property is currently zoned R-1, low density residential. Because the 2004 adopted Metro Plan Diagram identified the planned zoning for the site as R-2 Medium Density Residential, the City plans to lead a re-zone process before the construction would start. Given the long narrow shape of the property, the RFP requested proposals of 10 units or more. See a map of the property in Attachment A. Two development proposals were received through the RFP, one for the 1091 Coburg Road property in Eugene and one for a proposed site in Springfield.

The development proposals are reviewed and scored by an Evaluation Committee. Eugene City Council reviews the Eugene proposal and the Evaluation Committee recommendation for the Eugene proposal, makes decisions for any city-specific resources awarded to the proposal such as land, and makes a recommendation for HOME funding to the Governing Board. Final HOME funding decisions will be made by the Governing Board. In instances where not all of the funds from an RFP are awarded to a project proposal, the remaining funds are made available again in the next RFP.

Summary of the Proposal

Cascade Housing Association (Cascade) requested \$1.2 million in HOME funds and the Eugene-owned property at 1091 Coburg Road to build The Harlow, 27 affordable homes, one on-site

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manager unit and common area. The proposed development is adjacent to Coburg Road Apartments, a 35-unit Affordable Housing development Cascade owns as the sole member of 1121 Coburg Road LLC which received a Low Income Rental Housing Property Tax Exemption (LIRHPTE) in 2022. Coburg Road Apartments and The Harlow would be managed jointly and would be able to share amenities and community spaces.

Of the 27 income-qualified units in The Harlow, one would serve households earning no more than 50% of area median income (AMI) and 26 would serve households earning no more than 60 percent AMI. Cascade plans to include 4 one-bedroom units and 24 two-bedroom units in the development. St. Vincent de Paul Society of Lane County, Inc. would provide resident services programming on site for employment and educational support, food access, community building activities and connections to other service agencies.

See Attachment B for images and additional information about the proposal.

Evaluation Committee Scoring

In the evaluation process, the Evaluation Committee scores and ranks the proposals for consideration of the applicable City Council and the Governing Board. The proposals were reviewed according to the following criteria: 1) project concept and design, 2) site feasibility, 3) targeted population and services, 4) cost benefit, 5) financial feasibility, and 6) organizational experience and performance. The evaluation includes a cost comparison analysis that compares development proposal financing with recent past projects. The comparison has many factors, including acquisition costs, development soft costs, hard construction costs, total development cost, cost per unit, cost per square foot, cost per bedroom and more. When compared to several similar recent developments (all one-building developments) total cost per unit are somewhat higher but cost per square foot, cost per bedroom, and operating cost estimates were similar to recent past HOME developments.

The 2025 Evaluation Committee members included: Eugene Councilor Eliza Kashinsky; Springfield Councilor Kori Rodley; Savannah Olsen, who represents the Springfield Community Development Advisory Committee (CDAC); Stephanie Schneider who represents residents of Affordable Housing; and Jamie Louie-Smith, Business Client Advisor at Summit Bank.

Written public comment was received from one person with concern about sufficiency of the proposed car parking and the performance and maintenance of the adjacent Affordable Housing development. No public comments were received at the public hearing held December 16, 2025. The Evaluation Committee's scores surpassed score requirements and demonstrated support for the proposal.

Funding for the Proposal

The project cannot proceed without the funds requested in the proposal plus additional subsidies.

To complete the financing for the proposed development, Cascade will apply for State resources in the Spring of 2026. Cascade will also apply for a LIRHPTE and potentially other Eugene Affordable Housing subsidies.

Next Steps

Following Council consideration of the Eugene proposal, if funding is awarded by the Governing Board at their meeting February 2, 2026, there are additional steps before HOME funds can be used. Developers must secure all other development financing and meet all HUD regulations as

conditions of the award. After all conditions are met, the City would execute a HOME loan agreement to provide HOME funds for the development, and a Land Transfer Agreement to transfer the property to the developer.

RELATED CITY POLICIES

[Housing Implementation Pipeline \(HIP\)](#) – The HIP has a 5-year goal to create Affordable Housing units. Recommending funding for these HOME/HOME-ARP development proposals would support additional units in the pipeline.

City of Eugene [Strategic Plan 2023-2026](#) – The proposed funding aligns with the Urgent Community Needs area of the City's strategic plan: Stabilize the cost of housing.

[HUD 2025 Consolidated Plan](#) – The Consolidated Plan has a 5-year goal to use HOME funds to further the HUD goal to Increase the Supply of Affordable Housing.

PREVIOUS COUNCIL DIRECTION

[April 21, 2004 Work Session](#)

Councilor Bettman, seconded by Councilor Poling, moved that the City Council adopt Council Bill 4860, an ordinance amending the [Eugene-Springfield Metropolitan Area General Plan] Metro Plan to adopt house-keeping revisions as part of Periodic Review (including a new Metro Plan Chapter III-C, Environmental Resources Element, a new Metro Plan Diagram, adopting savings and severability clauses, and providing an effective date: Ordinance No. 20319).

Passed 8:0

[January 24, 2022 Work Session](#)

Councilor Syrett, seconded by Councilor Keating, moved to approve the Housing Implementation Pipeline (HIP).

Passed 6:0 (Councilors Evans and Groves absent).

[January 24, 2022 Council Meeting](#)

Councilor Syrett, seconded by Councilor Keating, moved to approve the items on Consent Calendar 1 (including Item C. Resolution Approving a Low-Income Rental Housing Property Tax Exemption for Property located on Coburg Road in Eugene, Oregon (Assessor's Map 17-03-20-41 Tax Lot 03300; Assessor's Property Account No. 0176147) (Applicant 1121 Coburg Road LLC)). (The adjacent Affordable Housing development to 1091 Coburg Road also owned by Cascade.)

Passed 6:0 (Councilors Evans and Groves absent).

[September 23, 2024 Council Meeting](#)

Councilor Keating, seconded by Councilor Groves moved to approve the use of up to \$870,000 in Community Development Block Grant funds for the acquisition of 1091 Coburg Road for future Affordable Housing development.

Passed 8:0

[April 28, 2025 Work Session](#)

Councilor Evans, seconded by Councilor Leech, moved to adopt a Resolution Approving the Eugene-

January 26, 2026 Meeting – Item 6

Springfield 2025 Consolidated Plan.
Passed 8:0

COUNCIL OPTIONS

City Council has three options:

1. Award the City-owned property at 1091 Coburg Road to Cascade Housing Association for The Harlow Affordable Housing proposal and recommend awarding the full amount of HOME funds requested (\$1,213,908) for the proposal.
2. Award the property and/or recommend the use of HOME funding for The Harlow Affordable Housing proposal with specific modifications as determined by City Council.
3. Decline to award the property and/or recommend awarding the HOME funding for the proposed project.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends Council select option 1.

SUGGESTED MOTION

Move to award the City-owned property at 1091 Coburg Road to Cascade Housing Association for development of The Harlow and recommend that the Eugene-Springfield HOME Consortium Governing Board award Cascade Housing Association \$1,213,908 of HOME funds for The Harlow.

ATTACHMENTS

- A. Map of the proposed development site
- B. Summary of The Harlow proposal

FOR MORE INFORMATION

Staff Contact: Ellen Meyi-Galloway, Affordable Housing Production Manager
Telephone: 541-682-5532
Staff E-Mail: EMeyi-Galloway@eugene-or.gov



1091 Coburg Rd
Map: 17-03-20-41 Tax Lot: 06400

Aerial



- Project Site
- Taxlots
- Water Bodies

Scale: 1:10,000

 0 340 680 Feet

Data: City and Regional GIS, Eagle View, ODOT
 Caution: This map is based on imprecise source data, subject to change, and for general reference only.

1/29/2024

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1091 Coburg Rd
Map: 17-03-20-41 Tax Lot: 06400

Aerial



Data: City and Regional GIS, Eagle View, ODOT
Caution: This map is based on imprecise source data, subject to change, and for general reference only.

1/29/2024

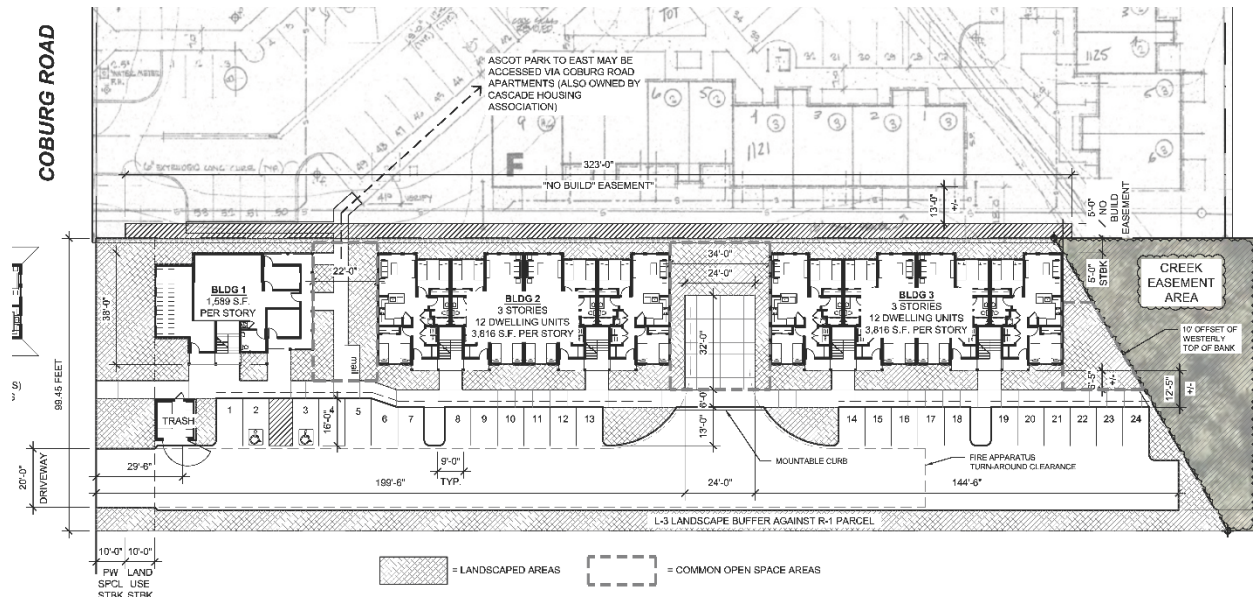
January 26, 2026 Meeting - Item 6

The Harlow Cascade Housing Agency 1091 Coburg Road

- New construction proposal
- 27 units/ 50 bedrooms: 4 one-bedroom, 23 two-bedroom
- 26 units for households earning no more than 60% AMI, 1 unit for a household earning no more than 50% AMI, and one unrestricted on-site manager unit
- Three 3-story buildings with common area including a community room with kitchen, office, bicycle and car parking (24 spaces), landscaping, walkways and seating.
- Supportive services provided by St. Vincent de Paul and other partner agencies.



- \$2,063,908 in City funds:
 - HOME funds: \$1,213,908
 - Land Value: \$850,000
- Total development cost: \$12,484,685
- Cost per unit: \$462,396
- Cost per square foot: \$455
- Other proposed funding sources: state Local Innovation Fast Track funds, private bank loan, deferred developer fee loan, Eugene LIRHPTE
- Planned start in 2027



EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Approval of City Council Minutes

Meeting Date: January 26, 2026
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 7A
Staff Contact: Rosa Roach
Phone: 541-628-8497

ISSUE STATEMENT

This is a routine item to approve City Council minutes.

BACKGROUND

Per City Council Operating Agreements, 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 they intend 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 the proposed amendment is substantive in nature or seeks to clarify the speaker's intent, the councilor should notify the minutes recorder and request verification of the proposed amendment.

SUGGESTED MOTION

Move to approve the minutes for the work sessions and meetings on October 22, 2025, October 27, 2025, November 10, 2025, November 12, 2025, December 5, 2025, and December 10, 2025.

ATTACHMENTS

- A. October 22, 2025 Work Session
- B. October 27, 2025 Work Session
- C. October 27, 2025 Meeting
- D. November 10, 2025 Work Session
- E. November 10, 2025 Meeting
- F. November 12, 2025 Work Session
- G. December 5, 2025 Special Meeting
- H. December 10, 2025 Work Session

FOR MORE INFORMATION

Staff Contact: Rosa Roach, City Council Coordinator

Telephone: 541-682-8497

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

MINUTES

Eugene City Council Work Session Eugene, Oregon 97401

October 22, 2025
12:00 p.m.

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

Mayor Knudson opened the October 22, 2025, Eugene City Council Work Session in a virtual format.

1. WORK SESSION: Eugene Springfield Fire Governance Update

City Manager, Sarah Medary, introduced the topic and provided background on the Eugene-Springfield Fire governance structure.

Councilor Discussion:

- Councilor Groves – stated the presentation clarified many complex issues; asked whether the projected revenue for a new fire district included the current general fund contribution; indicated Eugene Springfield Fire services have done commendable work, but resources have not kept pace with population growth; emphasized the need for a plan to address and right-size the department; asked about public support for a new district; suggested community polling may be needed.
- Councilor Clark – stated support for a single administrative structure to manage fire services; noted the fire department has not grown in proportion to other city services; emphasized the importance of prioritizing public safety; stated the fire department needs more resources and a structure that supports its mission.
- Councilor Kashinsky – asked for clarification on whether both governance models would eliminate the current dual administrative structure; asked how member fees would be calculated under an intergovernmental entity (IGE) and requested a future discussion on potential barriers to each option.
- Councilor Keating – asked how often Eugene-Springfield Fire responds to calls in the Willakenzie Fire District and how potential state-level tax reforms might impact the feasibility of a new district; expressed appreciation for the work of first responders and leadership.
- Councilor Zelenka – stated the topic is complex and appreciated the effort to simplify it; asked whether the additional revenue from a new district would result in increased service; noted a new district would have its own elected board and that City Council would no longer control fire service decisions; stated a new district

could increase taxes without necessarily increasing service and could result in revenue loss due to compression.

- Mayor Knudson – asked whether either governance model would affect the community's wildfire protection; asked how differences in past investments between Eugene and Springfield would be addressed in the process; indicated the importance of understanding the financial and operational implications of each model.
- Councilor Yeh – asked if a fire district would result in unequal tax burdens due to the structure of the property tax system; stated that this is a longstanding issue.
- Councilor Groves – noted the current system allows for full interoperability between Eugene and Springfield fire crews; stated the desire for autonomy is a key reason some support a fire district; emphasized that the fire department has not grown in over four decades and suggested a dedicated revenue source for the fire department could be implemented before a new governance model is finalized.
- Councilor Zelenka – asked how revenue increases would be handled under each model; stated a fire district would require voter approval for any new levies, while an IGE could raise fees with city approval; asked about the value of fire department assets and how differences in employee benefits between cities would be addressed; stated the decision ultimately depends on the willingness of voters to support increased funding.
- Councilor Evans – asked about the bonding capacity of an IGE and how operational levies would work; noted the importance of addressing immediate needs; stated a standardized fire fee may be more sustainable than a time-limited levy.
- Mayor Knudson – asked whether a new fire district would face the same long-term funding limitations as the city; noted property tax growth has been below four percent and that this would limit the district's ability to expand services over time.

The meeting was adjourned at 1:18 p.m.

Katie LaSala
City Recorder

(Recorded by Rosa Roach)

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

MINUTES

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

**October 27, 2025
5:30 p.m.**

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

Mayor Knudson opened the October 27, 2025, work session of the Eugene City Council in a hybrid format at 500 E 4th Avenue, North Building, Eugene OR 97401.

1. WORK SESSION: Library Local Option Levy (Cont'd)

Assistant City Manager, Kristie Hammitt, introduced Josh Bates, Executive Director for Library, Recreation, and Cultural Services, Angela Ocana, Library Services Director, and Neil Obringer, Assistant Finance Director, who provided background on the expiring library levy, which will sunset in June 2026.

Councilor Discussion:

- Councilor Groves – stated support for the library; noted the downtown library is an anchor for revitalization efforts; emphasized the importance of understanding cost differences between Eugene and Salem’s library services; requested more granular financial comparisons.
- Councilor Zelenka – noted strong public support for the library based on past levy results; stated support for early literacy and kiosk expansion, calling them cost-effective.
- Councilor Keating – stated support for balancing fiscal responsibility and continued community investment; asked how many Eugene children are served by the Imagination Library program; asked about coordination between library programs and community partners; asked about the pilot book return bin in south Eugene; asked about the plans for the fourth floor of the library.
- Councilor Kashinsky – stated interest in polling results to guide decision-making; noted library investments align with climate and accessibility goals.
- Councilor Clark – stated support for the levy but cautioned against expansion due to other city priorities like fire services; stated the importance of fiscal balance and prioritization.
- Councilor Leech – stated how libraries have been personally important in her life; stated strong support for Concept 2; noted interest in expansion if polling supports it.
- Councilor Yeh – praised the library’s approach and fiscal responsibility; suggested renaming Concept 3 to better reflect the kiosk model rather than building expansion.
- Mayor Knudson – stated community feedback consistently praises the library; emphasized the value of early literacy as a foundation for educational success.

2. WORK SESSION: Unlawful Transfer on Vehicular Portion of Right-of-Way (Cont'd)

Assistant City Manager, Kristie Hammitt, introduced Police Chief, Chris Skinner, who introduced the topic.

Councilor Discussion:

- Councilor Groves – stated the ordinance is about safety and not about targeting unhoused individuals; noted personal experience as a fire captain and the difficulty of collecting data on such incidents; stated the ordinance would apply to all individuals soliciting in the roadway; noted drivers can leave the travel lane to make a donation.
- Councilor Kashinsky – stated data does not support this ordinance as a safety measure; stated a preference for focusing resources on proven causes of traffic fatalities like speeding, intoxicated driving, and visibility.
- Councilor Clark – stated the ordinance is about setting behavioral expectations for drivers; stated support for moving the ordinance to public hearing to gather community input.
- Councilor Keating – emphasized his preference for education and signage over enforcement of penalties; stated support for a public hearing to gather community input.
- Councilor Zelenka – stated the data does not support this ordinance as a safety measure; stated the ordinance is unnecessary and targets unhoused individuals.
- Councilor Evans – clarified the vote was to move to public hearing, not to adopt the ordinance; noted it may be better to send donations to social service agencies rather than individuals; emphasized the need for public input.
- Councilor Yeh – noted that the community lacks adequate services for unhoused individuals and emphasized that personal donations, such as food or supplies, can be meaningful while people wait for help; spoke against the ordinance, citing lack of new information and concerns about targeting homelessness.
- Councilor Leech – emphasized the need to focus limited resources on the most impactful public safety issues; expressed concern about spending money on signage or enforcement for this ordinance without supporting data; stated similar proposals have failed before and that no new information has been presented; noted opposition to the ordinance but would consider revisiting it if future data showed this issue to be a top priority.
- Councilor Keating – noted the vote was not to adopt or reject the ordinance but to move it to a public hearing; stated the hearing would allow for more information gathering and give the public a chance to share their views.
- Councilor Kashinsky – noted Council has limited time and resources, and holding a public hearing on this ordinance would delay other priorities; questioned whether the hearing would provide new insights and emphasized focusing on issues with the greatest community impact.
- Councilor Groves – noted many public hearings are brief and could accommodate this topic; stated support for moving the ordinance to a public hearing; noted data on the issue is not currently collected in a searchable format.

- Councilor Leech – asked about the possibility of changing the data collection process to include information about crashes caused by pedestrians in the travel lane.
- Councilor Yeh – stated she is open to a broader conversation about street safety and supports data-driven solutions; noted the proposed ordinance may be more about discomfort with visible homelessness; stated the need for meaningful, systemic change.

MOTION: Councilor Evans, seconded by Councilor Leech, moved to direct the City Manager to schedule a public hearing on the draft unlawful transfer on vehicular portions of the right-of-way ordinance as set forth in Attachment A to this AIS.

VOTE: 5:4 PASSED

IN FAVOR: Keating, Clark, Evans, Groves and Mayor Knudson (tie-breaking vote).

OPPOSED: Kashinsky, Zelenka, Yeh, and Leech.

The meeting was adjourned at 6:40 p.m.

Respectfully submitted,

Katie LaSala
City Recorder

(Recorded by Cherish Bradshaw)

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

MINUTES

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

**October 27, 2025
7:30 p.m.**

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

Mayor Kaarin Knudson opened the October 27, 2025, meeting of the Eugene City Council in hybrid in-person and virtual format at 500 E. 4th Avenue, Eugene, OR 97401, North Building.

1. COMMITTEE REPORTS AND ITEMS OF INTEREST

- Councilor Groves – reported on a recent meeting with members of the Asian American and Pacific Islander community regarding a series of targeted burglaries; expressed appreciation for Eugene Police Department for apprehending suspects; emphasized the importance of standing in solidarity with affected communities.
- Councilor Keating – expressed support for the Asian American and Pacific Islander community; reported on a joint training with the Human Services Commission and Poverty and Homelessness Board focused on trauma-informed systems; expressed solidarity with Portland City Councilor Candace Avalos following a suspected arson incident; announced an upcoming National League of Cities forum on public official safety.
- Mayor Knudson – noted recent conversations with fellow mayors and veterans regarding community-based public safety and the importance of relationships and resilience in challenging times.

2. PRIORITY GOAL ACTION: An Ordinance Concerning Low-Income Rental Housing Property Tax Exemption and Amending Section 2.939 of the Eugene Code, 1971.

AND

PRIORITY GOAL ACTION: A Resolution Adopting Amended Standards and Guidelines for Processing Applications for Low-Income Rental Housing Property Tax Exemptions and Repealing Resolution No. 5297

Assistant City Manager, Kristie Hammitt, introduced the topic and provided background information.

MOTION: Councilor Evans, seconded by Councilor Leech, moved to adopt an Ordinance Concerning Low-Income Rental Housing Property Tax Exemption and Amending Section 2.939 of the Eugene Code, 1971.

VOTE: 8:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Evans, Leech, and Groves.

OPPOSED: None.

MOTION: Councilor Evans, seconded by Councilor Leech, moved to adopt a Resolution Adopting Amended Standards and Guidelines for Processing Applications for Low-Income Rental Housing Property Tax Exemptions and Repealing Resolution No. 5297.

VOTE: 8:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Evans, Leech, and Groves.

OPPOSED: None.

3. PRIORITY GOAL ACTION: Adoption of a Resolution Approving a Low-Income Rental Housing Property Tax Exemption for The Lucy Apartments

Assistant City Manager, Kristie Hammitt, introduced the topic and provided background information.

Council Discussion:

- Councilor Keating – noted the Western States Regional Council of Carpenters had requested to speak on this item; noted he would make a motion to postpone the vote until after public comment.

MOTION: Councilor Keating, seconded by Councilor Leech, moved to postpone priority goal action 3 until the conclusion of tonight's public comment.

VOTE: 8:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Evans, Leech, and Groves.

OPPOSED: None.

4. CONSENT CALENDAR 1

A. Approval of City Council Minutes

- September 8, 2025 Meeting

B. Approval of City Council Tentative Agenda

MOTION: Councilor Evans, seconded by Councilor Leech, moved to approve the items on Consent Calendar 1.

VOTE: 8:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Evans, Leech, and Groves.

OPPOSED: None.

5. CONSENT CALENDAR 2

A. A Resolution Annexing Land to the City of Eugene (Assessor's Map 17-03-08-42, Tax Lot 00300, Located at 3241 Downing Street) (City File: A 25-07)

B. A Resolution Annexing Land to the City of Eugene (Assessor's Map 17-03-08-44, Tax Lot 03200 And Located at 2588 Dale Avenue) (City File: A 25-9)

Council Discussion:

- Councilor Clark – asked if the agenda item could be moved to follow public comment, so community members could speak on the proposed annexation.

MOTION: Councilor Clark, seconded by Councilor Leech, moved to postpone the annexation votes until after public comment.

VOTE: 8:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Evans, Leech, and Groves.

OPPOSED: None.

6. PUBLIC COMMENT

1. Tim Morris – spoke in favor of the Tenant Opportunity to Purchase Act (TOPA).
2. Celine Swenson Harris – spoke in favor of TOPA.
3. Leonard DiFranco – spoke in favor of cancelling the contract with Flock cameras.
4. Jane Lewis – spoke in favor of cancelling the contract with Flock cameras.
5. Jeremy Ray – spoke in favor of cancelling the contract with Flock cameras.
6. Kamryn Stringfield – spoke in favor of cancelling the contract with Flock cameras.
7. Ellie Urbancic – spoke in favor of cancelling the contract with Flock cameras.
8. Hava Kronen – spoke in favor of TOPA.
9. Danny Patch – spoke about local issues and council processes.
10. Molly Goulet – spoke in favor of TOPA.
11. Ky Fireside – spoke in favor of cancelling the contract with Flock cameras.
12. Jeffrey Albanese – spoke in favor of TOPA.
13. Sophie Bybee – spoke in favor of TOPA.
14. Steve Belzer – spoke in favor of decriminalizing psilocybin.
15. Ashley Wright – spoke in favor of cancelling the contract with Flock cameras.
16. Chaz Kern – spoke in favor of TOPA.
17. Pete Goldlust – spoke in favor of cancelling the contract with Flock cameras.
18. Liam O'Grady – spoke about unity and honoring Indigenous peoples and mothers.
19. Wyn Manselle – spoke in favor of cancelling the contract with Flock cameras.
20. Geoffrey Gordon – spoke in favor of cancelling the contract with Flock cameras.
21. Jeff Salata – spoke in favor of cancelling the contract with Flock cameras.
22. Henry Boyer – spoke in favor of cancelling the contract with Flock cameras.
23. Justin Filip – spoke in favor of cancelling the contract with Flock cameras.
24. Kevin Cronin – spoke in favor of TOPA.
25. Misty Bowman – spoke against light pollution.
26. Danny Huffsmith – spoke in favor of cancelling the contract with Flock cameras.
27. Eric Morgan – spoke against the Lucy Apartments tax exemption, urging labor standards to prevent wage theft and exploitation on affordable housing projects.
28. Laura Ray – spoke in favor of cancelling the contract with Flock cameras.
29. Andrew Becker – spoke in favor of TOPA.
30. Scott Lambert – spoke in favor of cancelling the contract with Flock cameras.
31. Brennan Fitzgerald – spoke in favor of cancelling the contract with Flock cameras.
32. Josh Easterlund – spoke in favor of decriminalizing psilocybin.
33. Viola Bolton-Lum – spoke in favor of cancelling the contract with Flock cameras.
34. Jacob Trewe – spoke in favor of restoring alternative crisis response.
35. Andrew Simrin – spoke in favor of cancelling the contract with Flock cameras.
36. JoJo Breslin – spoke in favor of restoring alternative crisis response.

37. Austin Fohnagy – spoke in favor of TOPA.

38. Rob Sheldon – spoke in favor of restoring alternative crisis response.

Council Discussion:

- Councilor Evans – asked when Council is scheduled to discuss Phase 3 of renter protections; asked if TOPA would be included in the discussion; stated his interest in including TOPA in the renter protections plan.
- Councilor Keating – stated concerns about approving the Lucy Apartments tax exemption without more information about the contractor and labor practices; noted support for stronger labor standards; noted campaign finance information can be found on the Oregon Secretary of State website; stated support for TOPA, a renewed alternative response program like CAHOOTS, and his opposition to the Flock camera contract.
- Councilor Yeh – stated support for adding TOPA to Phase 3 renter protections.
- Councilor Groves – stated support for adding TOPA to Phase 3 renter protections; asked for an update on the status of a new mobile crisis alternative response program; stated his support for living wage jobs.
- Councilor Leech – stated support for including TOPA in Phase 3 renter protections; noted a memo on alternative response services is coming by the end of the month; stated the need for broader discussion on housing incentives; stated continued interest in learning about the Flock contract and cameras; thanked the public for ongoing engagement.
- Councilor Clark – stated interest in reviewing the Lucy Apartments tax exemption application; asked for clarification on the applicant and project timeline; stated desire for a full discussion before deciding; stated intent to wait for the Mayor to bring the item back before making a motion to postpone.
- Councilor Kashinsky – stated interest in continued discussion of TOPA; asked whether concerns about the Lucy Apartments were specific to the developer or general policy issues; noted Council had already awarded funding to the project; stated the importance of distinguishing between policy review and project-specific decisions.
- Councilor Zelenka – noted the Budget Committee motion was for a report on a CAHOOTS-like services, not a work session; stated the report is expected by the end of October and discussion will follow; thanked the speakers opposing Flock; stated support for ending the contract with Flock; thanked the carpenters union for raising concerns but noted the issue seemed to be about general policy, not a specific contractor; stated concern about derailing the Lucy project over broader policy issues.
- Councilor Evans – noted experience with a project on 13th and Olive where tax breaks were given without prevailing wage; stated opposition to giving tax exemptions to developers who don't pay prevailing wage; stated he could not support the Lucy Apartments exemption without more information; asked for a pause in the decision to allow council discussion on labor standards.
- Councilor Zelenka – noted the 13th and Olive project led to a two-year tax exemption moratorium and major reforms to the Multi-Unit Property Tax Exemption (MUPTE); stated LIRHPT is different and has been used for many projects this year; stated broader policy discussions take time and likely can't be

resolved within the current 60-day window; stated concern about delaying the Lucy project over general labor policy issues.

- Councilor Clark – noted Cornerstone Community Housing has done important work in the community; stated concern about labor issues raised by the carpenters; asked for policy improvements to ensure fair compensation; stated support for better labor standards in LIRHPTE but cautioned against assuming the Lucy project is violating them; stated the project is urgently needed and should not be delayed.
- Mayor Knudson – noted appreciation for labor representatives sharing concerns; stated wage theft is a serious issue and is not supported by City policy; noted Cornerstone Community Housing has undergone thorough public review; stated the need for broader discussion on how community benefits are delivered through housing programs.
- Councilor Yeh – noted concern about illegal labor practices; asked if the City has systems in place to detect wage theft; asked what the City's response would be if such issues were found; asked whether any issues had been found with Cornerstone and whether the City had proactively checked.
- Councilor Evans – noted LIRHPTE projects under four stories are exempt from prevailing wage; stated concern about the narrow path this creates for labor protections; stated past support for LIRHPTE but objected to exemptions that allow developers to avoid paying prevailing wage.
- Councilor Keating – asked if Council could ask questions of the representatives from the Western States Regional Council of Carpenters during this meeting.
- Councilor Clark – asked whether Council could reconsider the vote on the Lucy Apartments tax exemption if new information came to light after the vote.
- Councilor Kashinsky – noted Council decisions must follow specific code-based criteria; stated the Lucy Apartments application met those criteria; noted no public comments had been received at the time of review; stated prevailing wage is not part of the current criteria.

7. PRIORITY GOAL ACTION: Adoption of a Resolution Approving a Low-Income Rental Housing Property Tax Exemption for The Lucy Apartments – Item Pulled.

MOTION: Councilor Evans, seconded by Councilor Leech, moved to adopt the resolution attached as Attachment B to this AIS, approving a Low-Income Rental Housing Property Tax Exemption for property located at 860 Hunsaker Lane.

Council Discussion:

- Councilor Keating – noted intent to vote yes on the motion to allow progress while reserving the right to reconsider; asked how the local carpenters union investigates wage theft; asked how wage theft could occur before construction begins; asked whether concerns expressed related to subcontractors rather than the developer; stated interest in hearing directly from both Cornerstone Community Housing and the carpenters at the next meeting.
- Councilor Evans – noted intent to vote yes based on the criteria presented; stated objection to the exemption from prevailing wage requirements for

- LIRHPTE projects under a certain height; stated concern about developers taking advantage of legal loopholes at the expense of workers.
- Councilor Leech – noted that MUPTE projects require contractors to provide documentation of proper licensing, insurance, and compliance with labor laws; stated similar requirements could be applied to LIRHPTE; noted prevailing wage is difficult for the City to enforce due to State jurisdiction; stated support for prevailing wage but acknowledged it is not currently required by law.
 - Councilor Groves – noted concern about wage theft practices beyond prevailing wage issues; described exploitative payment methods affecting vulnerable workers; stated discomfort with making decisions under tight timelines; emphasized the need for broader discussions on labor protections and housing development; noted Cornerstone’s positive reputation and limited resources; clarified that some funding comes from future tax exemptions and the Affordable Housing Trust Fund.
 - Councilor Keating – asked about last week’s hearing about changes to the LIRHPTE code.

VOTE: 8:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Evans, Leech, and Groves.

OPPOSED: None.

8. CONSENT CALENDAR 2 – Items Pulled.

- A. A Resolution Annexing Land to the City of Eugene (Assessor’s Map 17-03-08-42, Tax Lot 00300, Located at 3241 Downing Street) (City File: A 25-07)**
- B. A Resolution Annexing Land to the City of Eugene (Assessor’s Map 17-03-08-44, Tax Lot 03200 And Located at 2588 Dale Avenue) (City File: A 25-9)**

MOTION: Councilor Evans, seconded by Councilor Leech, moved to approve the items on Consent Calendar 2.

VOTE: 8:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Evans, Leech, and Groves.

OPPOSED: None.

Mayor Knudson adjourned the meeting at 10:04 p.m.

Respectfully submitted,

Katie LaSala
City Recorder

(Recorded by Cherish Bradshaw)

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

MINUTES

Eugene City Council Work Session Eugene, Oregon 97401

November 10, 2025
5:30 p.m.

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

Mayor Knudson opened the November 10, 2025, work session of the Eugene City Council in a hybrid format at 500 E 4th Avenue, North Building, Eugene OR 97401.

1. **WORK SESSION: Airport Terminal Renovation and Expansion Update**

City Manager Sarah Medary introduced Cathryn Stephens, Airport Director, who provided background on the Eugene Airport Terminal Renovation and Expansion (TREX) project.

Councilor Discussion:

- Councilor Groves – asked whether the drop-off and pick-up area at the airport would be addressed as part of the expansion; asked whether federal funding for the project would come with restrictive conditions; stated appreciation for Transportation Security Administration (TSA) agents working without pay during the government shutdown.
- Councilor Evans – noted he is paying close attention to airport development because it is located in his ward; asked about the long-standing lack of hotel development near the airport and how Clear Lake investments might leverage future development; asked about regional competition and connectivity; referenced other Oregon airports and the potential for expanded flights to major destinations.
- Councilor Zelenka – stated support for the expansion, citing clear economic and environmental benefits; noted traditional funding mechanisms would delay the project by 30 years; asked whether the airport receives general fund support; asked whether nontraditional funding sources described in the presentation were realistic or aspirational; asked when the Lift Off Eugene feasibility study would be completed.
- Councilor Keating – asked whether naming rights could include corporate branding; asked for clarification on recent grant language issues and how they were resolved; noted constituent concerns about a controversial video played at the airport; asked about the City's authority over TSA-controlled monitors; asked whether the proposed expansion would include additional natural relief areas for dogs; asked whether Ontario Airport in Southern California was being considered for future nonstop service.
- Councilor Kashinsky – asked why the refined terminal expansion alternative was significantly more expensive than earlier scenarios; asked whether design changes or constraints led to the selection of the current configuration; asked

whether building only part of Concourse C would be financially viable; expressed concern about delayed revenue generation from incomplete gate construction.

- Councilor Clark – stated appreciation for the Airport Director’s leadership and vision; asked about the future role of general aviation at the airport and whether private pilots would continue to have access; asked whether general aviation use is expected to increase and how it might factor into future fundraising strategies.
- Mayor Knudson – asked for more detail on the airport’s economic impact; asked how Eugene’s lack of existing bond obligations compares to other regional airports; questioned whether this positions the City advantageously.
- Councilor Evans – noted interest in public transportation connections between the airport and regional universities; suggested a potential transit link between Eugene and Corvallis-Albany.
- Councilor Groves – asked whether the Federal Aviation Administration’s (FAA) interest in expanding secondary airports could result in additional federal funding for Eugene; asked about the future of air freight at the airport and whether current facilities are sufficient to support industrial growth; asked whether the airport’s cargo capacity could be impacted by expansion at the Port of Coos Bay.
- Councilor Clark – asked whether the airport is planning for increased air cargo capacity in response to regional freight expansion, including at the Port of Coos Bay.

The meeting was adjourned at 6:37 p.m.

Respectfully submitted,

Katie LaSala
City Recorder

(Recorded by Cherish Bradshaw)

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

MINUTES

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

**November 10, 2025
7:30 p.m.**

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

Mayor Knudson opened the November 10, 2025, meeting of the Eugene City Council in hybrid in-person and virtual format at 500 E. 4th Avenue, Eugene, OR 97401, North Building.

1. PLEDGE OF ALLEGIANCE

Officer Easton McVeigh-Walker, United States Marine Corps veteran and Eugene Police Officer, led the Pledge of Allegiance, accompanied by the Eugene Police Honor Guard posting the colors under the leadership of Officer Shane Orsborn, also a Marine Corps veteran, in honor of Veterans Day.

2. CEREMONIAL MATTERS

Mayor Knudson mentioned proclamations for Native American Heritage Month, Día de los Muertos, National Nurse Practitioner Week, Veterans Day, Transgender Day of Remembrance, and Small Business Saturday.

3. COMMITTEE REPORTS AND ITEMS OF INTEREST

- Councilor Evans – issued a statement apologizing to Cornerstone Community Housing regarding remarks made at the previous meeting; reaffirmed his support for the Low Income Housing Rental Property Tax Exemption (LIHRPTE).
- Councilor Groves – shared updates from the Intergovernmental Relations Committee regarding legislative priorities and policies and preparation for the upcoming legislative session.
- Councilor Keating – noted his appreciation for veterans; noted his plans to attend the Veterans Day Breakfast in Springfield, the Southeast Neighbors meeting, and the Lane Regional Air Protection Agency (LRAPA) meeting.
- Councilor Yeh – expressed concern about Immigration and Customs Enforcement (ICE) detentions and due-process violations; shared resources and advocacy organizations for immigrant support.
- Councilor Zelenka – noted the good work Cornerstone Community Housing has done in the community; noted upcoming Public Safety Coordinating Council (PSCC) and Fairmount Neighborhood Association (FNA) meetings.
- Councilor Leech – noted her attendance at the recent Whitaker Community Council (WCC) emergency preparedness event.
- Mayor Knudson – thanked Governor Kotek and Attorney General Dan Rayfield for enabling November food benefits; thanked Food for Lane County and other local

organizations for stepping up to address food insecurity and hunger; condemned violent detentions and due-process violations; reaffirmed the City's commitment to safety, rule of law, and solidarity with immigrant and migrant communities.

4. CONSENT CALENDAR 1

A. Approval of City Council Minutes

- September 22, 2025 Work Session
- September 22, 2025 Meeting
- September 24, 2025 Work Session
- October 20, 2025 Public Hearing

B. Approval of City Council Tentative Agenda

MOTION: Councilor Evans, seconded by Councilor Leech, moved to approve the items on Consent Calendar 1.

VOTE: 8:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Evans, Leech, and Groves.

OPPOSED: None.

5. PUBLIC COMMENT

1. Lin Woodrich – spoke in favor of public health standards.
2. Tye – spoke in favor of cancelling the contract with Flock cameras.
3. Michelle Perin – spoke in support of an alternative crisis response program.
4. Scott Lambert – spoke in favor of cancelling the contract with Flock cameras.
5. Charles Areford – spoke against a panhandling ban and Flock cameras.
6. Linda Ague – spoke against the proposed Amazon warehouse.
7. Emily Reiman – spoke in favor of adopting state fund sources for affordable housing.
8. Barbara Stebbins – spoke against the proposed Amazon warehouse.
9. Deb McGee – spoke in favor of a climate-friendly design for the Amazon warehouse.
10. Magda van Leeuwen – spoke in favor of cancelling the contract with Flock cameras.
11. Charmane Landing – spoke against the proposed Amazon warehouse.
12. Brooke Standifer – spoke in favor of instating the Moderate-Income Revolving Loan (MIRL) program.
13. Ron Burley – spoke against the proposed Amazon warehouse.
14. Sarah Boom – spoke in favor of using emergency funds against ICE.
15. Geoffrey Gordon – spoke against an anti-panhandling ban, the proposed Amazon warehouse, and Flock cameras.
16. Misty Bowman – spoke in favor of dark skies.
17. Sam Edwards – spoke in favor of cancelling the contract with Flock cameras.
18. Wyn Manselle – spoke in favor of cancelling the contract with Flock cameras.
19. Darcy Phillips – spoke about Cornerstone Community Housing's labor standards and their impact in the community.
20. Shelly Devine – spoke against the proposed Amazon warehouse.
21. Mario Conte – spoke about Cornerstone Community Housing's labor standards and their impact in the community.
22. Sue Barnhart – spoke against a plan to lock a community park at night.

23. Andrea Voorhees – spoke about Cornerstone Community Housing's labor standards and their impact in the community.
24. Danny Patch – spoke about local traffic issues.
25. Teresa Mueller – spoke against the proposed Amazon warehouse.
26. David Igl – spoke about local history.
27. Hannah Deibert – spoke against the proposed Amazon warehouse.
28. Stan Taylor – spoke against the proposed Amazon warehouse.
29. Joella Ewing – spoke against the proposed Amazon warehouse.
30. Liam O'Grady – spoke about economic unity and community healing.
31. Andrew Simrin – spoke in favor of cancelling the contract with Flock cameras.
32. Anna Lardner – spoke against the proposed Amazon warehouse, Flock Cameras, and actions by ICE.
33. Tiffany Edwards – spoke in favor of instating the MIRL program.
34. Jeff Salata – spoke in favor of cancelling the contract with Flock cameras.
35. Dylan Cianci – spoke about housing affordability.
36. Kelley Christensen – spoke against the proposed Amazon warehouse.
37. Ruth Wren – spoke against the proposed Amazon warehouse.
38. Rick Osgood – spoke against the proposed Amazon warehouse.
39. Brendan McCarthy – spoke against the proposed Amazon warehouse.

Council Discussion:

- Councilor Clark – asked about next steps to adopt the MIRL program.
- Councilor Groves – noted he would also like to learn more about the MIRL program.
- Councilor Keating – thanked housing advocates from Better Housing Together and Cornerstone for their work and recent engagement with Council; thanked officials for issuing a joint statement condemning recent ICE raids in Lane County; emphasized that all individuals regardless of immigration status are entitled to constitutional protections and due process.

Mayor Knudson adjourned the meeting at 9:32 p.m.

Respectfully submitted,

Katie LaSala
City Recorder

(Recorded by Cherish Bradshaw)

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

MINUTES
Eugene City Council
Work Session
Eugene, Oregon 97401

November 12, 2025
12:00 p.m.

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

Mayor Knudson opened the November 12, 2025, Eugene City Council Work Session in a virtual format.

1. WORK SESSION: Urban Growth Strategies Adoption Package Overview and Housing Action Updates

City Manager, Sarah Medary, introduced Principal Planner, Terri Harding, who presented an update on the Urban Growth Strategies Adoption Package.

Councilor Discussion:

- Councilor Clark – stated strong support for the proposed housing incentives, especially the Moderate-Income Revolving Loan (MIRL) program; asked about the timeline for moving forward with MIRL and if there was a deadline to implement; asked staff to move forward quickly with MIRL and stated his preference for having formal votes rather than informal head nods from Council.
- Councilor Zelenka – noted the housing crisis impacting Eugene, especially in affordable housing; noted previous efforts related to affordable housing have not returned the expected results in Eugene; stated his support for affordable housing projects, moderate-income housing programs, and micro villages but noted the impact on the housing market has been minimal; asked staff to quantify expected housing outcomes from the proposed actions.
- Councilor Leech – would like to learn more about all the concepts presented, but stated particular interest in the micro village concept; asked about ownership models, whether the homes were available to rent, buy, or a hybrid model like mobile-home parks; asked about the availability of land for this model and site flexibility; in support of expanding housing development incentives and their potential impact.
- Councilor Kashinsky – expressed interest receiving more details at the next work session about the different single occupancy types; stated her full support for all proposed housing concepts; emphasized the importance of utilizing diverse tools to achieve desired outcomes.

- Councilor Yeh – stated support for all concepts presented; noted that projects like this cannot predetermine whether the homes will be available for ownership or rental; emphasized the need to incentivize homeownership, especially for middle and lower-income households; asked for clarification on the Area Median Income (AMI) figures, if they were a local number or for the whole state of Oregon.
- Councilor Groves – emphasized the importance of building more housing and opportunities for owner-occupied housing in Eugene; noted home ownership is a key factor in generating personal wealth; asked about changes to state laws to support or enable a streamlined process for micro housing and Section 8 housing; encouraged staff to engage with state-level partners and noted that Council's Intergovernmental Relations (IGR) committee can also help to support this work.
- Councilor Keating – noted the number one concern at a recent neighborhood association meeting he attended was housing affordability; noted a key component to a thriving city is the opportunity for renters to move into owner-occupied housing; stated support for all housing concepts outlined in the presentation; asked about incentives for mixed-use development along transit corridors; asked about the community benefit of mixed-use housing and availability of incentives.
- Mayor Knudson – noted the difficulty of building affordable housing and the importance of having a diverse set of tools to accomplish desired outcomes; expressed full support for the MIRL program and asked about existing programs like the affordable housing trust fund to increase production and affordability of units locally; asked about leveraging state-wide tools such as the Housing Infrastructure fund.
- Councilor Clark – highlighted the national challenge of homeownership and the average age of first-time home buyers; noted the State's down payment assistance program which allows people from 80-120 percent of the area median income to participate; noted the lack of new housing being built and the buildable land supply problems; asked about incentives for moderate-income housing for purchase; noted barriers such as infrastructure and permitting availability.
- Councilor Keating – asked about future opportunities to increase revenue through commercial properties and vacant residential properties.

2. WORK SESSION: Incentivizing Voluntary Annexations

City Manager, Sarah Medary, introduced Alissa Hunter, Planning Director , who presented information regarding incentives to voluntary annexations.

Councilor Discussion:

- Councilor Clark – asked about fire service agreements and mutual aid to special districts; emphasized long-term tax base benefits of annexation; stated support of incentives and pilot programs.

- Councilor Kashinsky – expressed caution about property tax waivers; in support of targeted incentives tied to housing development; stated concern about unintended consequences of non-contiguous annexation legislation.
- Councilor Groves – in support of all the proposed incentives; emphasized the need to close service gaps; noted historical context of annexation challenges and the impacts on fire services.
- Councilor Leech – in support of exploring all the incentive options; requested more information on how a pilot program could work; asked about the percentage of annexation applications tied to housing development; asked about the cost of processing annexation applications.
- Councilor Yeh – in support of continued discussion as the issue remains prevalent in the River Road and Santa Clara areas of the City; emphasized taking budget-conscious approaches; stated support for less disruptive incentives.
- Councilor Zelenka – noted this issue has been ongoing since he joined Council; stated support for further analysis and conversations; asked if fee waivers could be targeted; noted budget impacts of tax deferrals and subsidization; concerned about unintended consequences and creating more islands that are difficult to service.
- Councilor Clark – asked about the budget impacts once the 10-year tax deferral ends.
- Councilor Keating – asked for clarification on voluntary annexation language and its urban growth boundary implications; stated in support of incentives if limited to properties within the urban growth boundary.
- Councilor Leech – emphasized promoting equity in incentives; stated individual homeowners should have similar opportunities for support like large developers; indicated that River Road and Santa Clara as key areas for housing expansion.

The meeting was adjourned at 1:29 p.m.

Respectfully submitted,

Katie LaSala
City Recorder

(Recorded by Rosa Roach)

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

MINUTES

Eugene City Council Special Meeting Eugene, Oregon 97401

December 5, 2025
8:30 a.m.

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

Mayor Knudson opened the December 5, 2025, Eugene City Council Special Meeting in a virtual format.

1. SPECIAL MEETING: City Manager In-Person Interview Process

Central Services Executive Director, Mia Cariaga, introduced the proposed process for the City Manager in-person interviews scheduled for the week of January 11, 2026.

Councilor Discussion:

- Councilor Clark – asked whether there would be informal or social opportunities for the public to interact with candidates; stated soft skills are important and expressed support for community members engaging with candidates in a casual setting.
- Councilor Groves – stated support for the proposed process and emphasized the importance of limiting informal interactions with candidates to Council only; stated allowing additional participants could reduce Council's access to candidates.
- Councilor Zelenka – in support of comments regarding informal sessions; asked whether Dan Bryant had been considered for the community stakeholder panel and proposed adding him if available; asked about the timing for receiving panelist feedback; emphasized the importance of receiving input Tuesday evening to allow adequate time for review before Wednesday's deliberations.
- Councilor Kashinsky – asked when reference and background checks would occur; expressed concern about announcing a finalist before those checks were completed; asked when Council would receive the results of reference checks.
- Councilor Yeh – in support of providing a public overview of panel feedback at the beginning of Wednesday's meeting; in support of adding Dan Bryant to the stakeholder panel if it did not require removing another participant.
- Councilor Keating – in support of adding Dan Bryant to the stakeholder panel and expressed readiness to move forward with the proposed process.
- Councilor Zelenka – asked for clarification on the scope of background checks, specifically whether they would include input from staff and community members in candidates' current communities; indicated such input should be considered

before final interviews and requested background information be available prior to public interviews.

MOTION: Councilor Evans, seconded by Councilor Leech, move to approve the process for in-person interviews as presented by staff.

VOTE: 8:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Evans, Leech, and Groves.

OPPOSED: None.

2. EXECUTIVE SESSION: Pursuant to ORS 192.660(2)(f), ORS 192.355(1) and ORS 192.355(2) and ORS 192.660(2)(a)

The meeting was adjourned at 2:53 p.m.

Respectfully submitted,

Katie LaSala
City Recorder

(Recorded by Rosa Roach)

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

MINUTES
Eugene City Council
Work Session
Eugene, Oregon 97401

December 10, 2025
12:00 p.m.

Councilors Present: Eliza Kashinsky, Matt Keating, Alan Zelenka, Jennifer Yeh, Mike Clark, Lyndsie Leech, and Randy Groves

Councilor Absent: Greg Evans

Mayor Knudson opened the December 10, 2025, Eugene City Council Work Session in a virtual format.

1. WORK SESSION AND ACTION: Fire Governance Recommendation

City Manager, Sarah Medary, introduced the topic and provided background on the proposed transition to a new fire governance model.

Councilor Discussion:

- Councilor Groves – stated appreciation for the City Manager, Chief Caven, union leadership, and staff for their work on the governance issue; noted the importance of clarity and certainty in future planning for fire services; expressed concern about the two-year separation agreement and suggested not waiting six months to serve notice if Springfield is not aligned; emphasized the need for a clear path forward for the community and department staff; expressed an interest in hiring Sarah Medary on a contract to continue guiding the process.
- Councilor Kashinsky – noted appreciation for the proposed timeline and direction provided; asked whether unique programs like alternative response services would be included in the Intergovernmental Entity (IGE); asked about Springfield’s position and whether mutual aid agreements would be pursued if the merger dissolved.
- Councilor Zelenka – stated support for the IGE recommendation; emphasized the importance of securing more resources for fire services; noted the success of the Metropolitan Wastewater Management Commission (MWMC) as a model; stated that if Springfield does not support the IGE, Eugene should move forward on its own without delay.
- Councilor Leech – indicated support for the City Manager’s recommendation; noted community pressure for a fire district and appreciated the decision to pursue the most appropriate model for Eugene and Springfield.

- Councilor Yeh – stated support for the IGE recommendation; noted the value in the thorough evaluation process that has taken place; asked whether the current team is prepared to continue the work after the City Manager’s departure; expressed appreciation for the City Manager’s commitment to support the team if needed.
- Councilor Clark – stated full support for the City Manager’s recommendation; expressed interest in hearing from the incoming City Manager before finalizing next steps; supported the idea of retaining Sarah Medary on contract to assist with the transition.
- Councilor Groves – stated the limitations of mutual aid compared to the operational advantages of a merged fire service; indicated the importance of maintaining surge capacity and standardized equipment and training; stated that separation is not ideal but may be necessary if negotiations fail; emphasized that maintaining the current governance model is not sustainable.

MOTION: Councilor Leech, seconded by Councilor Zelenka, moved to direct the City Manager to negotiate the core terms of an agreement with Springfield, consistent with the recommendations in Attachment D, as a preliminary step toward forming an Intergovernmental Entity for Eugene Springfield Fire, and to return to Council in three months with a progress update.

VOTE: 7:0 PASSED

IN FAVOR: Kashinsky, Keating, Zelenka, Yeh, Clark, Leech, and Groves.

OPPOSED: None.

The meeting was adjourned at 12:47 p.m.

Respectfully submitted,

Katie LaSala
City Recorder

(Recorded by Rosa Roach)

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

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Approval of Tentative Working Agenda

Meeting Date: January 26, 2026
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 7B
Staff Contact: Katie LaSala
Phone: 541-682-5010

ISSUE STATEMENT

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

BACKGROUND

Per City Council Operating Agreements, 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 any concerns about the items on the Tentative Agenda, it may be removed at the request of any councilors from the Consent Calendar and discussed separately.

COUNCIL OPTIONS

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

SUGGESTED MOTION

Move to approve the items on the Tentative Working Agenda.

ATTACHMENTS

- A. City Council Tentative Working Agenda

FOR MORE INFORMATION

Staff Contact: Katie LaSala, City Recorder
Telephone: 541-682-5010
Staff E-Mail: klasala@eugene-or.gov



City Council Tentative Agenda

Updated January 22, 2026

Meeting materials and access information available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>

January 2026

Date	Day	Time	Title	Length	Dept Contact
26-Jan	Mon	5:30 pm	2026 Legislative Session Priorities (Work Session, Possible Action)	45 min	B. Freed, CS
			City Manager Updates (Work Session)	45 min	M. Rodrigues, CS
			<i>Location: Council Chambers and Virtual</i> <i>Expected Absence: Groves</i>		
26-Jan	Mon	7:30 pm	Ceremonial Matters		
			Election of City Council Officers for 2026 (Action)		K. LaSala, CS
			Committee Reports and Items of Interest		
			Low Income Rental Housing Property Tax Application: Redwood Park (Priority Goal Action)		L. Hammond, PDD
			Low Income Rental Housing Property Tax Application: WestTown on 8th (Priority Goal Action)		L. Hammond, PDD
			Approval of Resources for Housing Affordable to People with Low-Incomes (Priority Goal Action)		E. Meyi-Galloway, PDD
			Consent Calendar 1		
			Resolution Acknowledging Receipt of City of Eugene, Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025 (Action)		B. Gomsrud, CS
			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, 2025 (Action)		B. Gomsrud, CS
			Election Code Updates (Possible Action)		K. LaSala, CS

January 26, 2026 Meeting - Item 7B

			Ordinance Re-Adopting State Traffic Laws (Action)		T. Smith, CS
			Public Comment		
			<i>Location: Council Chambers and Virtual</i>		
			<i>Expected Absence: Groves</i>		
28-Jan	Wed	12:00 pm	Library Levy (Work Session)	60 min	J. Bates, LRCS
			Updates to Metropolitan Wastewater Management Commission Intergovernmental Agreements (Work Session, Possible Action)	30 min	M. Miranda, PW
			<i>Location: Virtual Only</i>		
			<i>Expected Absence: Groves</i>		

February 2026

Date	Day	Time	Title	Length	Dept Contact
9-Feb	Mon	5:30 pm	Long Range Financial Stability – Technical Advisors Report (Work Session)	60 min	Twylla Miller, CS
			Topic Pending Confirmation (Work Session)	30 min	Staff
			<i>Location: Council Chambers and Virtual</i>		
9-Feb	Mon	7:30 pm	Ceremonial Matters		
			Committee Reports and Items of Interest		
			Consent Calendar 1		
			2025 Annexation Withdrawals from Special Districts (Possible Action)		G. Warr, PDD
			Station House: MUPTE modification (Possible Action)		D. Huber-Heidorn, PDD
			Public Comment		
			A Resolution Annexing Land at 3362 Wisteria Street (A 25-11 3362 Wisteria St) (Consent Calendar 2)		N. Gioello, PDD

			A Resolution Annexing Land at 3032 Kinney Loop (A 25-12 Kinney Loop) (Consent Calendar 2)	G. Warr, PDD	
			Location: Council Chambers and Virtual		
11-Feb	Wed	12:00 pm	Urban Renewal Update (URA Work Session)	45 min	W. Dowdy, PDD
			Housing Production Incentives (Work Session)	45 min	A. D’Souza, PDD
			Location: Virtual Only		
17-Feb	Tues	5:30 pm	Kinney Loop and Coburg Road Refinement Plan Amendment and Zone Change (Public Hearing)	N. Gioello, PDD	
			Court of Record (Public Hearing)	K. Brotherton, CS	
			Public Health Standards Code Amendment (City File: CA25-3) (Public Hearing)	R. Verner, PDD	
			Location: Council Chambers and Virtual		
18-Feb	Wed	12:00 pm	Operating Agreements Follow-up (Work Session)	45 min	K. LaSala, CS
			ALPR Follow-up Discussion (Work Session)	45 min	Staff
			Location: Virtual Only		
23-Feb	Mon	5:30 pm	Human Rights Commission Annual Report (Work Session)	45 min	F. Andrade, CS
			Home Energy Score Policy Discussion (Work Session)	45 min	I. Penn, PW
			Location: Council Chambers and Virtual		
23-Feb	Mon	7:30 pm	Committee Reports and Items of Interest		
			Investment Portfolio Maximum Maturity Extension (Consent Calendar 1)	K. Edison, FIN	
			EWEB Utility Revenue Bonds (Consent Calendar 1)	Staff	
			Public Health Standards Code Amendment (City File: CA25-3) (Possible Action)	R. Verner, PDD	

Public Comment					
<i>Location: Council Chambers and Virtual</i>					
<i>Expected Absence: Mayor Knudson</i>					
25-Feb	Wed	12:00 pm	Renter Protections Review (Work Session)	45 min	A. Cameron, PDD
			Establishing a Right-of-Way Ordinance to Expedite Utility Permitting (Work Session)	45 min	D. Singer, PW
<i>Location: Virtual Only</i>					
<i>Expected Absence: Mayor Knudson</i>					

March 2026

Date	Day	Time	Title	Length	Dept Contact
9-Mar	Mon	5:30 pm	Street Design Standards Update (Work Session)	45 min	R. Inerfeld, PW
			Topic Pending Confirmation (Work Session)	45 min	Staff
<i>Location: Council Chambers and Virtual</i>					
9-Mar	Mon	7:30 pm	Ceremonial Matters		
			Committee Reports and Items of Interest		
			Consent Calendar 1		
			Kinney Loop and Coburg Road Refinement Plan Amendment and Zone Change (Possible Action)		N. Gioello, PDD
			East Campus University of Oregon Refinement Plan Amendment, Code Amendment, and Zone Change (Possible Action)		B. Black, PDD
			Public Comment		
			Approval of a Resolution Annexing Land at 1773 Parnell Drive (A 25-13 1773 Parnell) (Consent Calendar 2)		N. Gioello, PDD
<i>Location: Council Chambers and Virtual</i>					
11-Mar	Wed	12:00 pm	Topic Pending Confirmation (Work Session)	45 min	Staff

Location: Virtual Only

Council Spring Break March 12 – April 7

Additional Information Regarding Upcoming Public Hearings

Date/Time	Topic/Title	Description	Staff Contact
Feb. 17 5:30pm	Kinney Loop and Coburg Road Refinement Plan Amendment and Zone Change	This public hearing will provide opportunity for the public comment on an ordinance to amend the Willakenzie Area Refinement Plan and to and change the base zone of the subject properties from C-1 Neighborhood Commercial to C-2 Community Commercial. The proposed ordinance will be posted online: https://www.eugene-or.gov/1781/Proposed-Ordinances	N. Gioello ngioello@eugene-or.gov 541-682-5453
Feb. 17 5:30pm	Court of Record	This public hearing will provide opportunity for the public comment on an ordinance related to Court of Record. The proposed ordinance will be posted online: https://www.eugene-or.gov/1781/Proposed-Ordinances	K. Brotherton kbrotherton@eugene-or.gov
Feb. 17 5:30pm	Public Health Standards Code Amendment (City File: CA25-3)	City Council will hold a public hearing on the proposed ordinance to improve coordination between the issuance of building permits by the City of Eugene for new development in the E-2 Mixed-Use Employment, I-2 Light-Medium Industrial, and I-3 Heavy Industrial zones and permitting done by public health regulatory entities. The proposed ordinance will be posted online: https://www.eugene-or.gov/1781/Proposed-Ordinances	R. Verner rverner@eugene-or.gov 541-682-5534

Approved Work Session Polls to be Scheduled	Councilor	Date Approved
Establishing a Right-of-Way Ordinance to Expedite Utility Permitting – Feb 25, 2026	Leech/Yeh	Aug 1, 2025

Materials and Information

The Eugene City Council welcomes your interest in these agenda items. The City Hall Council Chambers 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.

For more information, contact the Council Coordinator at 541-682-5010, or visit us online at eugene-or.gov/101/City-Managers-Office

Meeting materials and information about how to access meetings available at: [Public Webcasts and Meeting Materials | Eugene, OR Website](#)

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Action: Resolution Acknowledging Receipt of City of Eugene, Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025

Meeting Date: January 26, 2026
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 8
Staff Contact: Brett Gomsrud
Phone: 541-682-5024

ISSUE STATEMENT

This is a resolution acknowledging receipt of the City of Eugene, Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2025. This resolution demonstrates compliance with ORS 297.465(2), which requires that a copy of the City's ACFR, 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 Baker Tilly US, LLC (auditors) has completed the audit of the City of Eugene's financial statements for the fiscal year ended June 30, 2025 and issued an unmodified opinion (also known as a "clean opinion") on the basic financial statements.

One of the most important components of the ACFR is the audit opinion. The auditors have issued two audit reports which can be found on pages 19-22 and pages 181-184 of the ACFR. 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 ACFR 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 they identified no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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. Historically, the City also completed a Federal funds audit that was issued

January 26, 2026 Meeting – Item 8

concurrently with the financial audit. This audit is sometimes known as the single audit. The Federal funds audit was delayed, but is now in process, and will be issued in a few weeks. Federal guidance, for our auditors, regarding this audit was delayed due to the Federal shutdown in late 2025. The Federal government has now issued their guidance to our auditors. The single audit has now commenced. Upon completion, the single audit will be shared with Council. In addition to state and federal requirements, the City has a contractual obligation in connection with its debt issuances which require that the City issue annual audited financial statements.

One additional report, beginning on page 186, specifically addresses compliance with Federal laws, regulations, contracts and grants, and indicates that the auditors found no material instances of the City's noncompliance with these requirements.

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 ACFR. 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 such as significant audit findings, disagreements with management, and corrected and uncorrected misstatements. Baker Tilly US, LLC's memo addressing these issues for fiscal year 2025 is included as Attachment B and includes a comment related to misstatements. In FY25, the Governmental Accounting Standards Board (GASB) issued two new accounting pronouncements (GASB 100 and GASB 101). GASB 101 redefined compensated absences which required the City to include the liability for the expected value of sick time to be used in the next fiscal year. GASB 100 stated that the implementation of new pronouncements requires the restatement of the prior year's financials to reflect the implementation of the new pronouncement as if that pronouncement were in effect. This is to help provide comparable data between fiscal years. Working with our auditors, it was determined that the correction to FY24's financial statements to reflect the value of compensated absences was immaterial. Presenting FY24's financials with the effects of the new pronouncement would have required a substantial restructuring of the FY24 financial statements for an immaterial item. Therefore, the new compensated absences liability was recorded beginning in FY25. Beginning with next year's audit, because the compensated absences liability was recorded in FY25, the financial statements will reflect these new requirements and the discrepancy will be resolved.

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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. This was the 49th consecutive year that the City has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR, 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.

RELATED CITY POLICIES

The Eugene City Council goal of Fair, Stable, and Adequate Financial Resources includes an outcome of accessible and transparent financial information. The FY25 ACFR aligns with this

January 26, 2026 Meeting – Item 8

outcome. [2023-2026 City of Eugene Strategic Plan](#)

PREVIOUS COUNCIL DIRECTION

None.

COUNCIL OPTIONS

1. City Council may accept the ACFR and auditor opinions.
2. City Council can delay acceptance, pending a future work session with external auditors to address any issues or areas of concern.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends adoption of the Resolution.

SUGGESTED MOTION

Move to approve a resolution acknowledging receipt of the Annual Comprehensive Financial Report (ACFR) for the City of Eugene, for the fiscal year ended June 30, 2025.

ATTACHMENTS

- A. Resolution: A Resolution Acknowledging the Receipt of the Annual Comprehensive Financial Report of the City of Eugene for the Fiscal Year Ended June 30, 2025
- B. Baker Tilly Communication
- C. FY25 COE ACFR

FOR MORE INFORMATION

Staff Contact: Brett Gomsrud, Accounting and Reporting Manager
Telephone: 541-682-5024
Staff E-Mail: brett.gomsrud@eugene-or.gov

RESOLUTION NO. xxxx

**A RESOLUTION ACKNOWLEDGING THE RECEIPT OF THE
ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE
CITY OF EUGENE FOR THE FISCAL YEAR ENDED JUNE 30,
2025**

The City Council of the City of Eugene finds that:

A. The City has prepared financial statements and an Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2025 (the “2025 ACFR”).

B. The independent firm of Baker Tilly US, LLC has completed an audit of the 2025 ACFR as required by ORS 297.425 and, pursuant to ORS 297.465, issued its findings to the Mayor and the City Council via the Report of the Independent Auditors.

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 City Council hereby acknowledges receipt of the Report of the Independent Auditors on the audited 2025 ACFR.

Section 2. This Resolution shall become effective immediately upon its passage by the City Council.

The foregoing Resolution adopted the 26th day of January, 2026.

City Recorder

Communications with Those Charged with Governance

City Of Eugene, Oregon

June 30, 2025





Communications with Those Charged with Governance

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

We have audited the financial statements of the governmental activities, 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, 2025. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America and Generally Accepted Government Auditing Standards

As stated in our audit contract dated May 12, 2021, and amendment signed on July 10, 2025, we are responsible for forming and expressing an opinion about whether the financial statements prepared by management, with your oversight, are prepared, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. As part of an audit conducted in accordance with those standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we considered the City's internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

We are also responsible for communicating significant matters related to the financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

The supplementary information was subject to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

Other Information in the Financial Statements

Management is responsible for the other information included in the financial statements. The other information comprises the introductory section and statistical section, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. Our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the audited financial statements. We have read the information, and nothing came to our attention that caused us to believe that such information is materially inconsistent with the financial statements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in contract.

Significant Audit Findings and Issues

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 are described in Note 1 to the financial statements. The City implemented GASB Statement 101, *Compensated Absences*, and GASB Statement 102, *Certain Risk Disclosures*. Adoption of GASB Statement 101. No other new accounting policies were adopted and there were no changes in the application of existing policies during 2025. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Significant Accounting Estimates

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. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant accounting estimates are the remaining useful lives of capital assets being depreciated, lease discount rates used and the decisions to extend lease agreements, and post-employment benefit obligations for retirement and health plans.

Financial Statement Disclosures

The disclosures in the financial statements are consistent, clear and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Disclosure of the reporting entity and significant accounting policies in Note 1 to the financial statements. This disclosure reports the operations under the governance of the elected officials, as well as the more significant policies used by the City in the preparation of the financial statements.
- Disclosure of the equity in pooled cash and investments in Note 4(A) to the financial statements. This disclosure provides the details of the amounts of cash and investments held in the various types of depositories and securities at year end, as well as the details of the nature of the risks inherent in the City's cash and investment portfolio.

- Disclosure of the City's noncurrent liabilities in Note 4(H) to the financial statements. This disclosure provides the details of the amounts and types of debt outstanding at year end along with the repayment terms, significant covenants, and future maturities of principal and interest.
- Disclosure of the City's risk management programs in Note 5(A) to the financial statements. This disclosure provides a summary of the various risks of loss the City is exposed to, and its method of financing those risks. This note also provides a reconciliation of claims liabilities for the past two years. The claims liability is an estimate that is based on assumptions, and actual results could vary significantly from those estimates.
- Disclosure of post-employment pension and healthcare benefits in Notes 5(C)-(F) to the financial statements. These required disclosures include details on the pension and post-retirement health care benefits the City provides its employees. The recorded liabilities for benefits included in the financial statements are estimates based on assumptions regarding future personnel costs and healthcare trend rates, discount rates, and many other actuarial assumptions.

Significant Unusual Transactions

We encountered no significant unusual transactions during our audit of the City's financial statements.

Significant Difficulties Encountered in Performing the Audit

Professional standards require us to inform you of any significant difficulties encountered in performing the audit. No significant difficulties were encountered during our audit of the City's financial statements.

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. No such disagreements arose during the course of our audit.

Circumstances that Affect the Form and Content of the Auditor's Report

There may be circumstances in which we would consider it necessary to include additional information in the auditor's report in accordance with generally accepted auditing standards, *Government Auditing Standards*, or Minimum Standards for Audits of Oregon Municipal Corporations. There were no circumstances that affected the form and content of the auditor's report.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

Uncorrected Misstatements – The below summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements as a whole. Uncorrected misstatements, or matters underlying those uncorrected misstatements, as of and for the year ended June 30, 2025 could potentially cause future-period financial statements to be materially misstated, even though we have concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

To record the implementation of GASB Statement No. 101, *Compensated Absences*, there would have been a decrease in beginning net position and compensated absences expense in the Governmental Activities in the amount of \$3,190,877, Wastewater Utility Fund in the amount of \$287,241, Ambulance Transport Fund in the amount of \$83,818, and Parking Services Fund in the amount of \$43,438.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 29, 2025.

Management Consultation 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 Significant Audit Findings or Issues

We are required to communicate to you other findings or issues arising from the audit that are, in our professional judgment, significant and relevant to your oversight of the financial reporting process. There were no such items identified.

This information is intended solely for the use of the City Council and management of the City, and is not intended to be and should not be used by anyone other than these specified parties.

Baker Tilly US, LLP

Eugene, Oregon
December 29, 2025

City of Eugene, Oregon

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2025



Sarah Medary, City Manager

CITY OF EUGENE, OREGON
Annual Comprehensive Financial Report
Year ended June 30, 2025

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Annual Comprehensive Financial Report

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CITY OF EUGENE, OREGON
Annual Comprehensive Financial Report
Year ended June 30, 2025

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INTRODUCTORY SECTION



City of Eugene
 500 East 4th Ave., Suite 303
 Eugene, Oregon 97401
 (541) 682-5022
 (541) 682-5802 FAX
www.eugene-or.gov

December 29, 2025

Citizens of Eugene
 The Honorable Kaarin Knudson, Mayor
 Members of the City Council
 Sarah Medary, City Manager

It is my pleasure to submit to you the Annual Comprehensive Financial Report (ACFR) of the City of Eugene, Oregon, for the fiscal year ended June 30, 2025.

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 Baker Tilly US, LLP, 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, 2025 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, 2025, 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 independent auditor's reports related specifically to the Single Audit and OMB Uniform Guidance will be issued separately at a later date.

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, 2024, 177,155 people resided within Eugene's municipal boundaries, making it Oregon's third largest city. City boundaries encompassed 45.5 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 a budget in accordance with Oregon Revised Statutes 294.305 through 294.565. The City of Eugene operates on a biennial, or two-year, budget cycle. 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 third largest city in Oregon, representing 46% of the county's and 4.2% of the state's population. As with all areas of the state and country, the Eugene area experienced a surge in

unemployment in 2020 due to the coronavirus pandemic. The annual unemployment rate in Eugene has since stabilized near 4.0%, with an average unemployment rate of 3.9% in 2024. The pace of local economic growth is expected to be similar to that of the state economy; 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 Lane County a favorable place to live. California has been the largest source of new residents to the area due to Eugene's proximity, natural and cultural amenities, and relatively lower cost of living.

Federal, state, and county government agencies 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, and UO. 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 2024-25 academic year, 24,462 students were enrolled.

Like many universities nationwide, the UO is facing financial challenges tied to shifts in out-of-state and international student enrollment. The university projected fewer out-of-state students than originally expected, contributing to a projected \$25-30 million deficit—resulting in layoffs and potential impacts on local tax revenue. Nevertheless, the UO continues to expand its presence in Eugene. The second building of the Knight Campus is expected to open in 2026 as part of the \$510 million Phase 2 development, following the initial \$570 million investment. Phase 2 will double the campus's capacity for research and development of new biomedical technologies, which is anticipated to create jobs and stimulate innovation in Eugene in the years ahead.

Other major construction in Eugene demonstrates confidence in the community's long-term economic prospects. 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. The first phase of the three-acre Downtown Riverfront Park was completed in 2022, and the second phase, which includes the Plaza and playground, was completed in the summer of 2025. Vertical development of the neighborhood is underway, with two market-rate residential buildings constructed in 2024 and 2025, and an Affordable Housing project in the works.

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 2025-2027 biennial budget, the General Fund forecast was updated to provide policy makers with the financial outlook for the fund and information to prepare a balanced budget. The 2025-2027 Adopted Budget includes \$17.8 million of ongoing General Fund gap reduction strategies over the biennium, and another \$7.9 million of one-time stabilization strategies to rebuild General Fund reserves. The need for budget stabilization is primarily driven by rising costs that are growing faster than existing revenue sources, evolving service needs, and rebuilding General Fund reserves as the organization moves away from reserve strategies used during the pandemic. Additionally, the City has been funding urgent services such as the unhoused, housing, downtown, and climate using one-time funding for several years. Work to stabilize the City's financial condition is ongoing; for more information see the Major New Initiatives section. Staff will continue to monitor the City's financial condition and update the forecast so that, as the organization looks to the future, decision makers will have up-to-date information to inform necessary actions.

In March 2025, the City Council approved the *2025-2031 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 to help the City respond to changing service needs and community growth. The program is updated and approved every other year and serves as the basis for the capital budget for the upcoming biennium.

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 City Council, as part of the Financial Management Goals and Policies, limits net direct debt to no more than 1% 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 0.08% at the end of FY24. As of June 30, 2025, there was \$66.8 million of total debt and \$33.4 million of net direct debt outstanding. This leaves about \$417 million of additional capacity for debt issuance within the Budget Committee policy limits.

A formal long-range financial planning process including identifying critical unfunded liabilities, risk assessment and external economic analysis, in addition to existing forecasting and debt capacity activities, is also currently underway. A comprehensive review will be undertaken to proactively develop short- and long-term solutions to address the range of community needs as we look to the future.

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.

Long Range Financial Stability

After many years of pursuing efficiencies, consolidating services, and making difficult reductions, the room for further cuts without significant service impacts was narrowed considerably in the recently adopted 2025-2027 biennial budget. Over the past five years, the City had been forecasting and communicating the challenges ahead and laying the groundwork to align resources more closely with community priorities. This work began with the development of the first citywide Strategic Plan and reintroducing the Community Survey. The City then shifted to a two-year budget cycle, offering greater flexibility, more effective long-term planning, and increased efficiency in both process and cost. At the same time, the City began adopting a priority-based budgeting approach to better understand program-level costs and support more informed decision-making. These process improvements have allowed the City to continue making meaningful community investments, even while implementing necessary reductions across all service areas.

The 2025-2027 Adopted Budget includes \$17.8 million of ongoing General Fund gap reduction strategies over the biennium, and another \$7.9 million of one-time stabilization strategies to rebuild General Fund reserves. In addition, the City Council approved a stormwater fee increase to generate approximately \$4.7 million in new revenue annually until July 1, 2031. This fee increase will sunset in six years without further action. The timing provides short-term stability and allows the City Council and staff time to evaluate the financial health of the organization and explore options for maintaining its long-range sustainability. Ongoing work to stabilize the City's financial condition will continue over the coming months, with the goal of creating a sustainable budget with balanced revenues and expenditures that provides funding for necessary services in the community. This includes the Technical Advisory Group on Fiscal Stability, an ad hoc City Manager committee of community members that began meeting this fall, to be followed by a City Council long-term budget stabilization retreat in 2026.

Expanding our Footprint

The City of Eugene recently expanded its Urban Growth Boundary to include the [Clear Lake area](#). This expansion added 924 acres of land to Eugene's Urban Growth Boundary between the western edge of the city and the Eugene Airport. The community envisions the Clear Lake area as a green employment center offering large sites for low-impact manufacturing, light industrial uses, commercial services, and health and technology. The plans also include developing a new school site, 222 acres of greenspace accessible to the community, and expansion of City infrastructure, all to be developed symbiotically with local wetland remediation enhancements. An area-wide green infrastructure system is planned to manage stormwater, protect wetland and floodplain resources, and mitigate impacts on natural resources and the environment.

Capital Construction

There are many exciting projects and investments that reflect Eugene's dedication to fostering sustainable growth, economic development, and improving the quality of life in our community. Since the approval of a \$39.8 million parks and recreation bond in 2018, the City has made significant progress on implementing the projects identified in the bond measure – 84% are complete or underway. Completed projects include the renovation and expansion

of two pools and a community center, renovation of two existing parks and the development of two new parks, artificial turf field replacements, safety and path lighting improvements, and trail and habitat restoration. Several more bond-funded projects will begin or continue construction in the 2025-2027 biennium, including a natural waterway habitat restoration project, park renovations and park development, and new trail development. Several more projects are in the planning, community engagement, or design development phases.

Eugene's transportation system is the City's largest capital asset, with more than 560 miles of streets and a replacement value of over \$1 billion. Even with proper maintenance, streets deteriorate and eventually need repair. Since 2008, voters have approved four street bonds, totaling over \$191 million, for street repair and capital preservation of over 250 streets in Eugene. Each bond has included dedicated funding for bicycle and pedestrian projects. In 2022, voters approved the fourth street bond totaling \$61.2 million. It will repair 42 streets, covering 44.6 lane miles of roads throughout the city. The funding also includes \$15 million for walking, biking, and safety improvement projects such as bike lanes, crosswalks, off-street paths, pedestrian bridges, and street tree projects.

Historically, project selection criteria such as funding source, project type, planning documents, geographic location, community input, function and safety, and asset condition were used to prioritize transportation projects. Additional factors are now integrated into project selection and prioritization, including equity, Vision Zero, and the project's ability to reduce greenhouse gas emissions from motor vehicles. Capitalizing on these considerations will ensure Eugene's transportation system meets the community's needs, while improving and expanding our network for people who walk, bike, or take the bus.

Sustainability and Climate Recovery Action

Eugene continues to focus on municipal climate action through implementation of its Climate Recovery Ordinance (CRO), adopted in 2014 and updated in 2016. The CRO established ambitious targets for the City and the community to reduce fossil fuel use and greenhouse gas emissions, guiding City policy and operations toward a low-carbon future. Meeting these goals is laid out in the Climate Action Plan 2.0 (CAP 2.0), which identifies strategies to cut emissions, strengthen resilience, and support an equitable energy transition. Five years after adoption, CAP 2.0 is over two-thirds implemented, reflecting ongoing, foundational work happening across the City organization and from critical community partners.

The impact to date has been a team effort: the Sustainability Program, located in Public Works, coordinates across City departments and works closely with regional partners to support and track tangible impacts that advance climate recovery and build resilience. Recent accomplishments include investments in municipal energy efficiency and fleet electrification, the expansion of the PeaceHealth bike-share system, the construction of new protected bike lanes and solar-lit paths and other projects that enhance multimodal connectivity. The City also adopted low-carbon concrete standards for public infrastructure projects and increased citywide tree canopy coverage from 22 to 24 percent, improving neighborhood cooling and livability. Community partners have advanced complementary work, including local utility programs that helped more than 1,200 homes install efficient heat pumps and incentives supporting weatherization and electrification upgrades. In addition, alongside community programs that promote reuse and repair, participation in curbside composting has diverted more than 28,000 tons of food waste from landfills, further reducing emissions. These accomplishments reflect foundational, ongoing progress toward CAP 2.0 and CRO targets and underscore Eugene's continued commitment to sustainability, resilience, and community well-being.

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 Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. This was the 49th 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 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 Annual Comprehensive 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 the 2023-2025 biennium. 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 41 years and is one of the few jurisdictions in the country to have received this recognition every year since its inception. With the shift to a biennial budget cycle, we will submit our adopted

budget document to GFOA every other year for consideration for this important award.

Acknowledgments

The Finance Division has the responsibility for preparing the Annual Comprehensive 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 the Executive Team for their interest and support in managing the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink that reads "Twylla J. Miller". The signature is written in a cursive, flowing style.

Twylla Miller
Chief Financial Officer



Government Finance Officers Association

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

Presented to

**City of Eugene
Oregon**

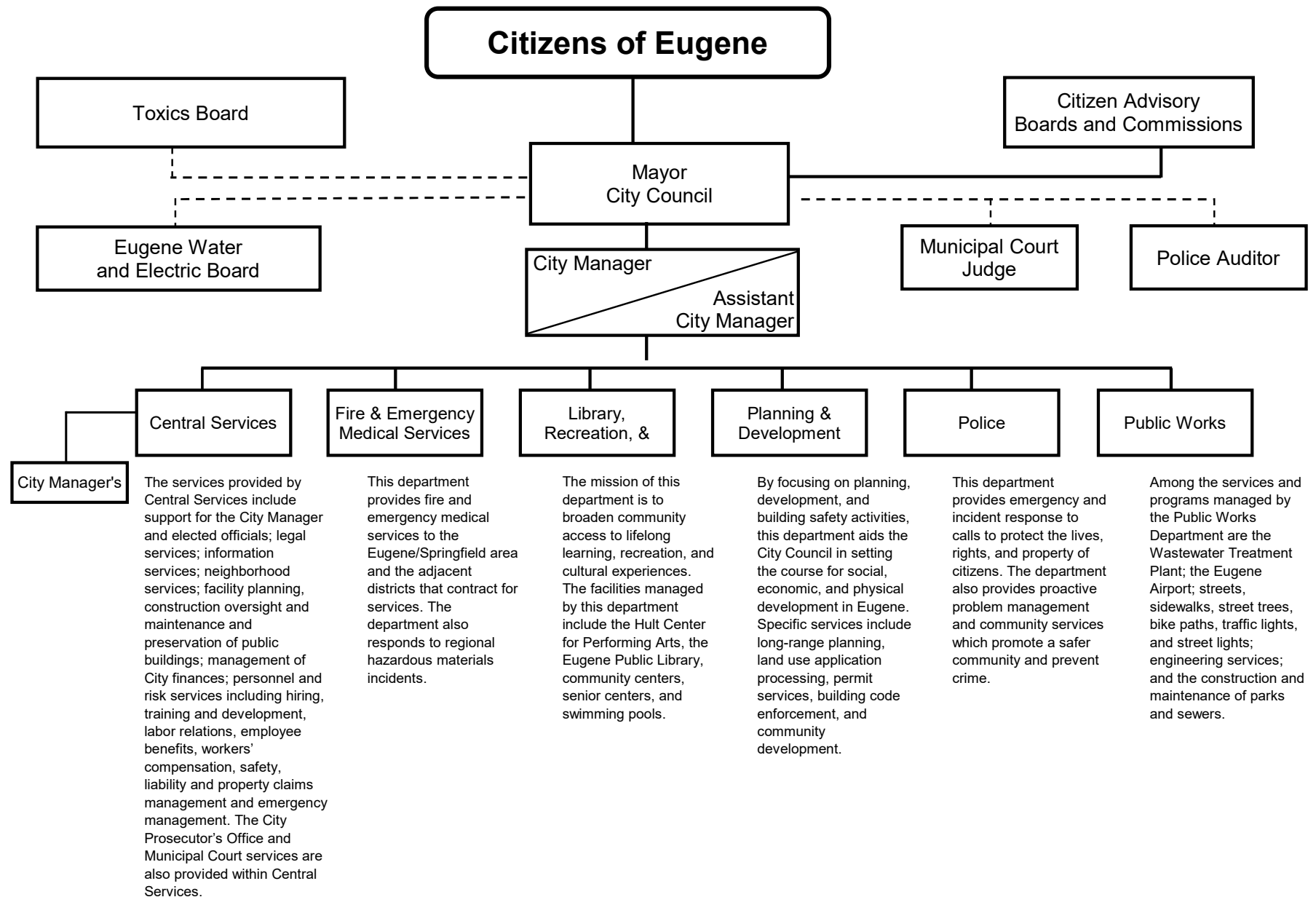
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

City of Eugene Organizational Chart



CITY OF EUGENE, OREGON

Mayor and City Council as of June 30, 2025

	<u>Name</u>	<u>Term Expires</u>
Mayor:	Kaarin Knudson	January 2029
Councilors:	Eliza Kashinsky (Ward 1)	January 2029
	Matt Keating (Ward 2)	January 2029
	Alan Zelenka (Ward 3)	January 2027
	Jennifer Yeh (Ward 4)	January 2027
	Mike Clark (Ward 5)	January 2027
	Greg Evans (Ward 6)	January 2027
	Lyndsie Leech (Ward 7)	January 2029
	Randy Groves (Ward 8)	January 2029

Principal Officials

Sarah Medary, City Manager

Kristie Hammitt, Assistant City Manager

Matthew Rodrigues, Assistant City Manager

Twylla Miller, Chief Financial Officer

Kathryn Brotherton, City Attorney

Mia Cariaga, Central Services Executive Director

Rich Hoey, Public Works Director

Mike Caven, Fire and Emergency Medical Services Chief

Joshua Bates, Library, Recreation, and Cultural Services Executive Director

Denny Braud, Planning and Development Executive Director

Chris Skinner, Chief of Police

FINANCIAL SECTION

Financial Section



Report of Independent Auditors

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City Eugene, Oregon (the "City") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2025, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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 Pension Plan Contributions, the Schedule of the City's Proportionate Share of the Net OPEB RHIA Asset (Liability), the Schedule of City's OPEB Plan Contributions, the Schedule of Changes in the City's Total OPEB RHLI Asset (Liability), and the Budget to GAAP Reconciliation, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 required supplementary information in accordance with GAAS, 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.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information for the General Fund and Community Development Fund, as listed in the table of contents as Required Supplementary Information, be presented to supplement the basic financial statements. Such information, although not 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. The required 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 financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the required budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as whole.

Supplementary 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 other supplementary information and other supplementary schedules, each as listed in the table of contents (collectively, the supplementary information), are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary 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 GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

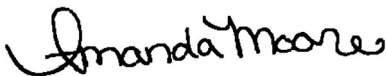
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2025, 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.

Other Reporting Required by Minimum Standards for Audits of Oregon Municipal Corporations

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated December 29, 2025, on our consideration of the City's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*. 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.



Amanda Moore, Principal, for
Baker Tilly US, LLP
Eugene, Oregon
December 29, 2025

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, 2025. 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, 2025 increased \$71.3 million from \$1.51 billion to \$1.58 billion. The increase was largely due to an increase of \$47.9 million in capital assets, a \$22.8 million increase in deferred outflows, a \$10.5 million increase in due from other governments, a \$6.6 million increase in receivables (net of allowance), a \$0.9 million increase in prepaids and deposits, offset by a decrease of \$17.4 million in cash and investments and restricted cash and investments.
- The City's total liabilities and deferred inflows of resources at June 30, 2025 increased \$29.9 million from \$485.5 million to \$515.4 million. The change was attributable to an increase in net pension liability of \$27.5 million, a \$7.0 million increase in deferred inflows, a \$5.3 million increase in compensated absences payable, a \$1.7 million increase in wages payable, offset by a \$4.7 million decrease in bonds payable, a \$1.4 million decrease in other post-employment benefits (OPEB) liability, a \$2.6 million decrease in accounts payable, and a \$2.2 million decrease in claims payable.
- The net position of the City (assets and deferred outflows of resources less liabilities and deferred inflows of resources) at June 30, 2025 increased \$41.4 million from \$1.03 billion to \$1.07 billion. The City's unrestricted portion of net position is a negative \$39.5 million. This is primarily due to the recognition of the City's net pension liability.
- At June 30, 2025, the General Fund's fund balance increased \$7.1 million from \$59.9 million to \$67.0 million. The unassigned fund balance in the General Fund at June 30, 2025 is \$28.6 million.

Overview of the Financial Statements

The following discussion and analysis are 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 24 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 20 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 a biennial 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-14, 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 governmental-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 professional 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 a biennial 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 \$1.07 billion at the close of the fiscal year ending June 30, 2025, an increase of \$41.4 million. The following table summarizes the City's net position.

City of Eugene's Net Position						
		Governmental Activities		Business-type Activities		Total
		2025	2024	2025	2024	2025 2024
Capital assets	\$	647,427,452	620,438,057	340,548,821	319,637,110	987,976,273 940,075,167
Other assets		399,143,328	400,838,677	70,109,081	67,836,305	469,252,409 468,674,982
Total assets		1,046,570,780	1,021,276,734	410,657,902	387,473,415	1,457,228,682 1,408,750,149
Deferred outflow s		102,925,249	84,648,066	24,539,041	19,965,476	127,464,290 104,613,542
Total deferred outflow s		102,925,249	84,648,066	24,539,041	19,965,476	127,464,290 104,613,542
Noncurrent liabilities		313,287,314	306,350,170	64,989,204	61,591,286	378,276,518 367,941,456
Other liabilities		82,959,016	73,728,867	14,023,125	10,719,890	96,982,141 84,448,757
Total liabilities		396,246,330	380,079,037	79,012,329	72,311,176	475,258,659 452,390,213
Deferred inflow s		28,903,530	23,430,498	11,253,281	9,697,898	40,156,811 33,128,396
Total deferred inflow s		28,903,530	23,430,498	11,253,281	9,697,898	40,156,811 33,128,396
Net position:						
Net investment in						
capital assets		618,229,436	567,334,302	338,779,028	317,806,040	957,008,464 885,140,342
Restricted		138,380,145	138,432,897	13,425,665	16,307,789	151,805,810 154,740,686
Unrestricted		(32,263,412)	(3,351,934)	(7,273,360)	(8,684,012)	(39,536,772) (12,035,946)
Total net position	\$	724,346,169	702,415,265	344,931,333	325,429,817	1,069,277,502 1,027,845,082

The largest portion of the City's net position, \$957.0 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 \$151.8 million, which represents resources that are subject to external restrictions as to how they may be used. Restricted net position decreased \$2.9 million in the fiscal year ending June 30, 2025, with a decrease in the capital projects category of \$10.6 million, which subject to \$12.4 million decrease in cash, \$1.3 million decrease in miscellaneous accounts receivable, offset by a \$3.5 million increase in accounts payable in this category, offset by a \$3.7 million increase in the culture, parks, and recreation category, a \$2.3 million increase in the community development category, a \$0.9 million increase in the road operation and maintenance category, and a \$0.5 million increase in the public safety category. The City's unrestricted portion of net position is a negative \$39.5 million.

City of Eugene's Changes in Net Position

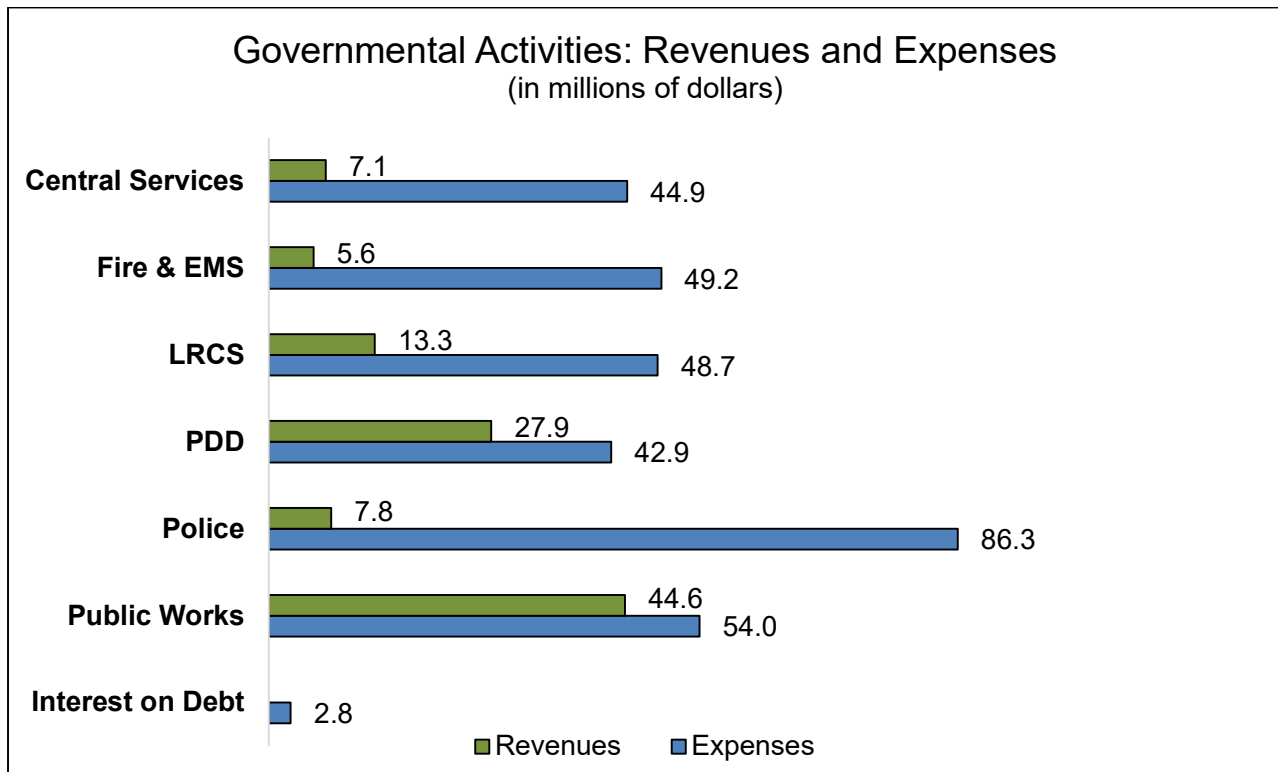
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Fees, fines, and charges for services \$	53,377,283	57,921,255	112,245,818	103,099,768	165,623,101	161,021,023
Operating grants and contributions	33,719,729	26,789,664	6,998,341	3,475,503	40,718,070	57,762,583
Capital grants and contributions	19,228,299	10,668,885	20,111,191	29,703,107	39,339,490	12,874,576
General revenues:						
Taxes	195,003,180	189,074,623	0	0	195,003,180	189,074,623
Grants and contributions not restricted to specific programs	6,862,771	6,951,854	0	0	6,862,771	6,951,854
Contributions in lieu of taxes	14,718,561	13,294,980	0	0	14,718,561	13,294,980
Franchise fees on telecom providers revenues	7,674,201	8,593,135	0	0	7,674,201	8,593,135
Unrestricted investment earnings	18,504,459	18,986,583	1,931,618	1,864,722	20,436,077	20,851,305
Total revenues	349,088,483	332,280,979	141,286,968	138,143,100	490,375,451	470,424,079
Program expenses:						
Central services	44,906,108	49,315,180	0	0	44,906,108	49,315,180
Fire and emergency medical services	49,169,122	44,758,025	0	0	49,169,122	44,758,025
Library, recreation, and cultural services	48,704,954	47,763,221	0	0	48,704,954	47,763,221
Planning and development	42,899,108	34,165,314	0	0	42,899,108	34,165,314
Police	86,280,802	78,869,914	0	0	86,280,802	78,869,914
Public works	53,966,071	49,817,925	0	0	53,966,071	49,817,925
Interest on long-term debt	2,764,056	3,323,081	0	0	2,764,056	3,323,081
Ambulance transport	0	0	16,602,087	15,750,037	16,602,087	15,750,037
Municipal airport	0	0	27,682,074	25,435,856	27,682,074	25,435,856
Parking services	0	0	7,366,546	6,778,472	7,366,546	6,778,472
Stormwater utility	0	0	27,242,259	23,595,370	27,242,259	23,595,370
Wastewater utility	0	0	41,359,844	36,603,389	41,359,844	36,603,389
Total direct expenses	328,690,221	308,012,660	120,252,810	108,163,124	448,943,031	416,175,784
Indirect expense allocation*	(4,734,916)	(4,738,479)	4,734,916	4,738,479	0	0
Total expenses	323,955,305	303,274,181	124,987,726	112,901,603	448,943,031	416,175,784
Change in net position before transfers	25,133,178	29,006,799	16,299,242	25,241,497	41,432,420	54,248,296
Transfers	(3,202,274)	(1,236,549)	3,202,274	1,236,549	0	0
Change in net position after transfers	21,930,904	27,770,250	19,501,516	26,478,046	41,432,420	54,248,296
Net position, beginning of year	702,415,265	674,645,015	325,429,817	298,951,771	1,027,845,082	973,596,786
Net position, end of year	\$ 724,346,169	702,415,265	344,931,333	325,429,817	1,069,277,502	1,027,845,082

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

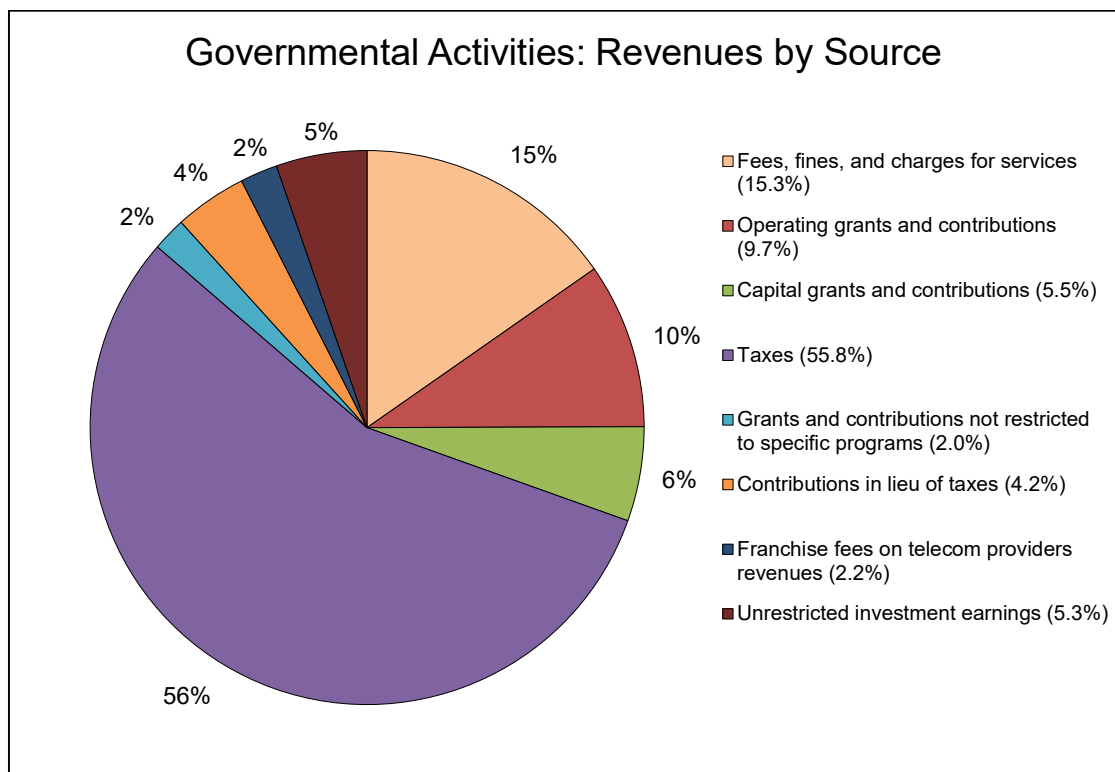
Governmental activities. Governmental activities change in net position before transfers increased by \$25.1 million. The increase was driven by:

- Revenues increased by \$16.8 million from the prior year, primarily due to an increase of \$8.6 million in capital grants and contributions, a \$6.9 million increase in operating grants and contributions, a \$5.9 million increase in taxes, a \$1.4 million increase in contributions in lieu of taxes, offset by a decrease of \$4.5 million in fees, fines, and charges for service and a \$0.9 million decrease in franchise fees on telecom providers revenues.
- Program expenses increased by \$20.7 million in total across all programs from the prior year. Significant changes were due to a \$8.7 million increase in Planning and Development, a \$7.4 million increase in Police, a \$4.4 million increase in Fire and Emergency Medical Services, a \$4.1 million increase in Public Works, a \$0.9 million increase in Library, Recreation, and Cultural Services, offset by a \$4.4 million decrease in Central Services.

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



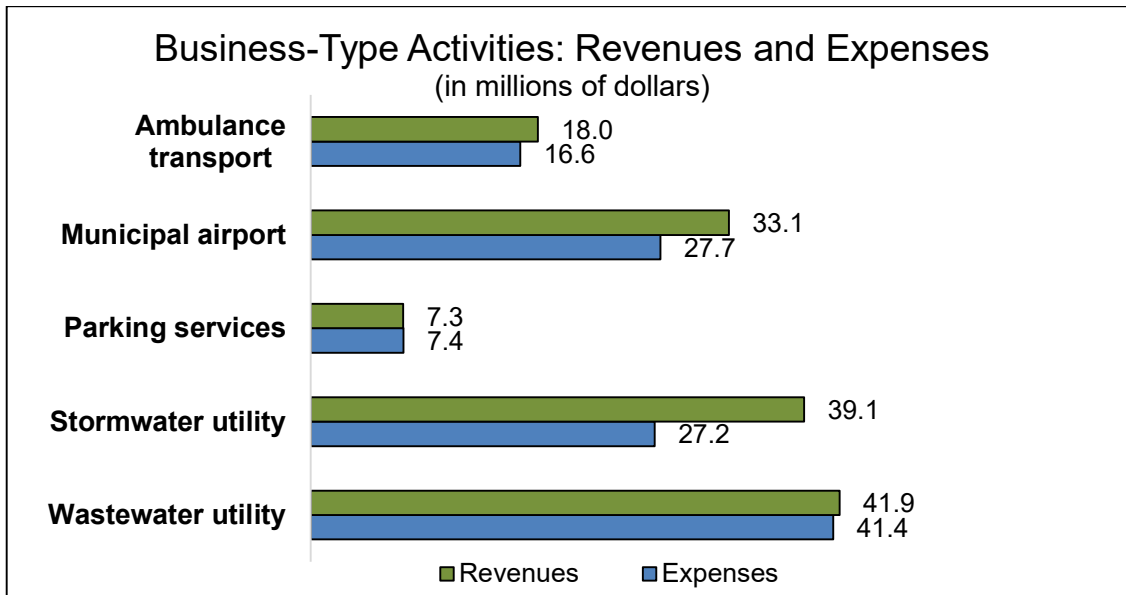
The next chart shows the percent of the total for each source of revenue supporting governmental activities. As the chart reflects, most governmental activities relied on taxes for support.



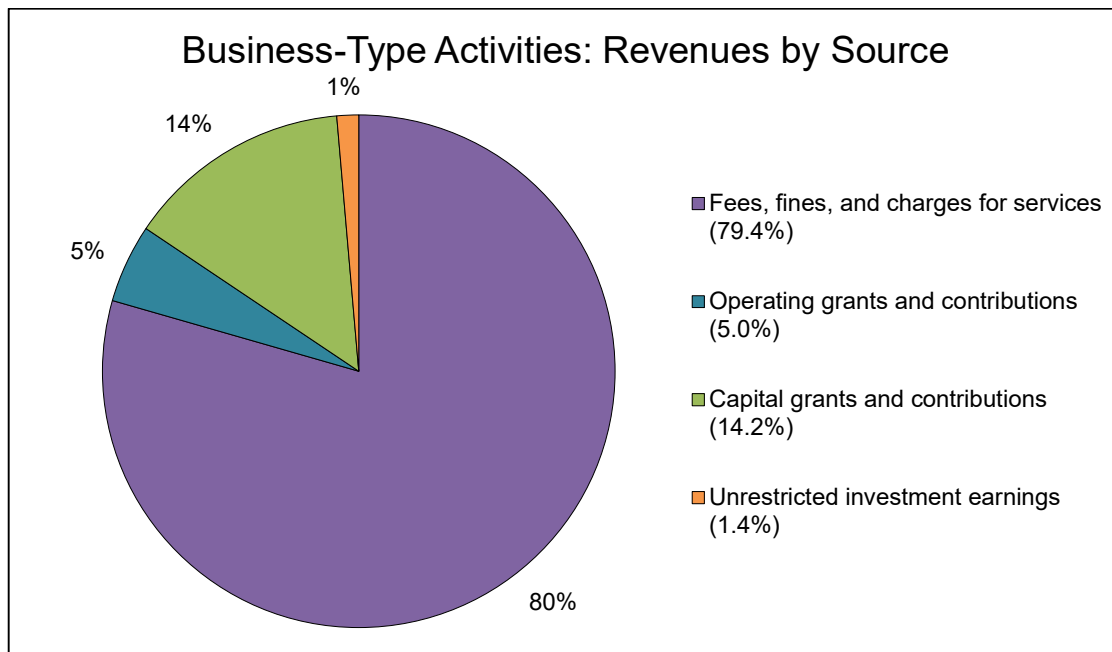
Business-type activities. Business-type activities for the current year increased the City's net position by \$19.5 million. The increase was driven by:

- Revenues increased by \$3.1 million from the prior year. The increase was primarily attributed to a \$9.1 million increase in fees, fines, and charges for services, a \$3.5 million increase in operating grants and contributions, offset by a \$9.6 million decrease in capital grants and contributions.
- Program expenses increased by \$12.1 million from the prior year. The increase was due to a \$4.8 million increase in the Wastewater Utility Fund, a \$3.6 million increase in the Stormwater Utility Fund, a \$2.2 million increase in the Municipal Airport Fund, and a \$0.9 million increase in the Ambulance Transport 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 79.4% of revenues for business-type activities are generated from fees, fines, and charges for services. Capital grants and contributions were derived predominantly from the stormwater capital contribution for various projects.



Capital assets. The City's capital assets for its governmental and business-type activities as of June 30, 2025 amounted to \$988.0 million (net of accumulated depreciation and amortization). 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), software and right-to-use leased asset intangibles, and infrastructure (such as roads and sidewalks).

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

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 92,472,515	90,266,791	17,171,732	17,171,732	109,644,247	107,438,523
Construction in progress	80,877,145	51,870,734	31,325,232	12,096,490	112,202,377	63,967,224
Buildings and equipment	171,377,783	169,724,529	64,466,958	67,287,137	235,844,741	237,011,666
Improvements other than buildings	53,272,980	50,294,826	89,763,569	90,085,866	143,036,549	140,380,692
Storm sewers and trunk sewers	0	0	136,342,971	131,370,615	136,342,971	131,370,615
Infrastructure	239,670,731	248,353,571	0	0	239,670,731	248,353,571
Intangible leases	6,559,121	6,837,743	1,397,697	1,562,133	7,956,818	8,399,876
Intangible subscriptions	3,197,177	3,089,864	80,662	63,137	3,277,839	3,153,001
	<u>\$ 647,427,452</u>	<u>620,438,058</u>	<u>340,548,821</u>	<u>319,637,110</u>	<u>987,976,273</u>	<u>940,075,168</u>

Capital Assets at June 30, 2025 increased \$47.9 million from \$940.1 million to \$988.0 million. The primary increases were \$48.2 million in construction in progress largely due to road paving, wastewater, and stormwater projects, and \$5.0 million increase in storm sewers and trunk sewers for storm sewer improvements. There was also a \$2.7 million increase in improvements other than buildings due to Santa Clara Community Park Development and Airport taxiways, and a \$2.2 million increase in land for URA land acquisition and 1091 Coburg Road acquisition. This was offset by a decrease of \$8.7 million in infrastructure and a \$1.2 million decrease in buildings and equipment, both due to accumulated depreciation.

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 \$515.4 million. Of this amount, \$62.1 million represented outstanding bonded indebtedness. Outstanding bonded debt included \$32.6 million in general obligation bonds to be serviced by general property taxes, \$23.2 million in limited tax pension bonds to be repaid from existing revenue sources, and \$6.3 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	
	2025	2024	2025	2024	2025	2024
General obligation bonds	\$ 30,825,000	34,110,000	0	0	30,825,000	34,110,000
Limited tax bonds	25,420,926	26,607,926	4,032,074	4,032,074	29,453,000	30,640,000
Bond premium	1,801,175	2,066,800	0	0	1,801,175	2,066,800
	<u>\$ 58,047,101</u>	<u>62,784,726</u>	<u>4,032,074</u>	<u>4,032,074</u>	<u>62,079,175</u>	<u>66,816,800</u>

The City's bonded debt decreased \$4.7 million during the year as the result of current year debt service payments less issuance of new debt.

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 (April 2023).

- 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 \$32.6 million in general obligation debt applicable to this limit is well below the \$1,391 million ceiling. The City's net direct general obligation bonded debt per capita is \$184.

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 \$249.6 million, a decrease of \$1.4 million from the prior year. \$4.6 million of the fund balance is nonspendable because it consists of the prepaid expenditures and inventories. The remaining \$245.0 million of fund balance was classified as follows.

- \$114.0 million was restricted due to external limits on how the resources may be used.
- \$41.7 million was committed as a result of specific constraints placed on the use of the resources per City ordinance.
- \$60.7 million was assigned per City Council's intent to use these resources for a specific purpose: unappropriated ending fund balance, encumbrances for contractual commitments, and uncompleted capital projects are the primary components.
- \$28.6 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 increased \$7.1 million from \$59.9 million to \$67.0 million during the current fiscal year. Revenue exceeded expenditures by \$4.1 million. General Fund revenue increased \$4.0 million over the prior year, which is largely attributed to a \$5.1 million increase in tax revenue and a \$0.4 million increase in intergovernmental revenue, offset by a \$0.9 million decrease in license and permit revenue and a \$0.8 million decrease in miscellaneous revenue. Expenditures increased \$2.2 million over the prior year due to an increase of \$7.8 million for department operating expenditures due to increased personnel costs, offset by a decrease in \$5.6 million of non-operating expenditures due to decreased debt service.

The fund balance in the Community Development Fund increased \$0.3 million from \$2.6 million to \$2.9 million during the fiscal year.

The fund balance in the General Capital Projects Fund decreased \$7.0 million from \$32.0 million to \$25.0 million during the fiscal year. The decrease in fund balance was primarily due to \$14.3 million in capital outlay and \$2.1 million in transfers out, offset by \$9.0 million in revenue.

The fund balance in the Systems Development Capital Projects Fund decreased \$6.9 million from \$36.4 million to \$29.5 million during the fiscal year. The decrease in fund balance was primarily due to \$12.8 million in capital outlay offset by \$6.9 million in revenue.

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	\$ (12.1) million
Municipal Airport	9.7 million
Parking Services	(1.7) million
Stormwater Utility	5.7 million
Wastewater Utility	(10.7) million

Total business-type net position (excluding the consolidation of internal service fund activities) increased \$19.4 million in the fiscal year with the significant changes highlighted by fund below.

- The Ambulance Transport Fund's net position increased \$1.0 million during the fiscal year due to \$6.8 million intergovernmental revenue and \$1.2 million transfers in, offset by \$6.3 million operating loss and \$0.5 million interest expense.
- The Municipal Airport Fund's net position increased \$4.9 million. The increase was due to the fund's capital contributions of \$6.2 million and \$1.3 million in interest revenue, offset by the fund's \$1.4 million operating loss and \$1.1 million in transfers out.
- The Parking Services Fund's net position decreased \$0.4 million during the fiscal year due to a \$0.4 million operating loss.
- The Stormwater Utility Fund's net position increased \$11.7 million. The primary reason for the increase was \$12.1 million in capital contributions and \$0.8 million in interest revenue, offset by \$1.3 million in operating loss.
- The Wastewater Utility Fund's net position increased \$2.2 million. The primary reason for the increase was due to the fund's capital contributions of \$5.4 million offset by an operating loss of \$3.1 million.

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 and reductions approved during the biennium. As a result, the final 2023-2025 biennium budget for the General Fund increased by \$41.4 million. The primary reasons for this increase were as follows:

- \$7.3 million for one-time funding requests.
- \$1.6 million in contractual obligations to vendors.
- \$9.2 million in program reappropriations.
- \$25.8 million increase in revenue-backed appropriations.
- \$3.9 million for interfund transfers.
- \$6.4 million reduction in operating expenses.

These changes were partially funded by budget increases of \$16.0 million in intergovernmental revenues, \$6.9 million in charges for services, \$0.3 million in licenses and permits, offset by a \$1.2 million decrease in miscellaneous. The remaining funding of \$19.4 million is from a combination of reserves, additional interest revenue, and unspent resources from the prior year.

Actual 23-25 revenues were \$6.4 million less than the final amended budget of \$401.2 million primarily due to decreased charges for service of \$3.7 million and decreased intergovernmental revenues of \$3.2 million. Actual expenditures were \$22.5 million less than the final amended budget of \$427.2 million due to under expenditures for: Planning and Development of \$8.2 million, Police of \$5.8 million, Central Services of \$3.4 million, Library, Recreation, and Cultural Services of \$3.1 million, Public Works of \$0.8 million, and Fire and Emergency Medical Services of \$0.7 million.

The difference between the budget and actual 2023-2025 results is recorded as an adjustment to budgeted 2025-2027 Biennium Beginning Working Capital (BWC). The 2025-2027 BWC adjustment is an increase of \$5.5 million. This means that the aggregated beginning resources for 2025-2027 were under-estimated by that amount when the budget was prepared in early 2025.

Economic Factors and Next Biennium'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 2025-2027 biennial budget:

- Property tax revenues were expected to increase 6.0%.
- Salaries for non-represented employees and employees covered under collective bargaining agreements were expected to increase 2.0% – 4.0%.
- Health benefit rates were decreased by 10.0%.
- Retirement costs were expected to range from 28.31% to 33.58% of payroll, depending on which pension plan the employee participates in.
- Interest rates on investments were projected to be 3.7%.

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:

Brett Gomsrud
Accounting and Reporting Manager
City of Eugene
500 East 4th Avenue, Suite 303
Eugene, Oregon 97401

BASIC FINANCIAL STATEMENTS

Basic Financial Statements

City of Eugene, Oregon

Statement of Net Position

June 30, 2025

(amounts in dollars)

	Governmental	Business-type	
	Activities	Activities	Total
Assets			
<u>Current assets</u>			
Equity in pooled cash and investments	327,570,478	46,436,317	374,006,795
Restricted cash and investments	4,451,117	0	4,451,117
Receivables (net of allowance)	33,793,671	18,670,136	52,463,807
Internal balances	7,927,376	(7,927,376)	0
Due from other governments	16,705,885	9,892,491	26,598,376
Inventories	1,216,188	446,007	1,662,195
Prepays and deposits	3,480,970	17,070	3,498,040
Assets held for resale	781,560	0	781,560
Total current assets	395,927,245	67,534,645	463,461,890
<u>Noncurrent assets</u>			
Loans and notes receivable	0	51,135	51,135
Leases receivable	46,711	1,742,141	1,788,852
OPEB Asset	3,169,372	781,160	3,950,532
Capital assets:			
Land and construction in progress	173,349,660	48,496,964	221,846,624
Other capital assets (net of accumulated depreciation/amortization)	474,077,792	292,051,857	766,129,649
Total noncurrent assets	650,643,535	343,123,257	993,766,792
Total assets	1,046,570,780	410,657,902	1,457,228,682
<u>Deferred outflows of resources</u>			
Related to pensions	100,664,231	23,931,267	124,595,498
Related to OPEB	2,261,018	607,774	2,868,792
Total deferred outflows of resources	102,925,249	24,539,041	127,464,290
Total assets and deferred outflows of resources	1,149,496,029	435,196,943	1,584,692,972
<u>Liabilities</u>			
<u>Current liabilities</u>			
Accounts payable	5,665,056	1,802,010	7,467,066
Wages payable	13,008,269	2,575,266	15,583,535
Compensated absences payable	19,676,601	4,105,650	23,782,251
Due to other governments	764,032	794,583	1,558,615
Claims payable	16,594,000	0	16,594,000
Deposits	3,045,172	858,927	3,904,099
Retainage payable	895,979	233,205	1,129,184
Interest payable	296,137	29,882	326,019
Unearned revenue	7,531,499	1,369,319	8,900,818
Leases payable	1,022,624	136,496	1,159,120
Subscriptions payable	639,503	50,321	689,824
Intergovernmental loan payable	2,080,000	0	2,080,000
OPEB current liability	695,303	216,240	911,543
Bonds payable	11,044,841	1,851,226	12,896,067
Total current liabilities	82,959,016	14,023,125	96,982,141
<u>Noncurrent liabilities</u>			
Compensated absences payable	706,168	147,914	854,082
Leases payable	5,655,750	1,314,234	6,969,984
Subscriptions payable	400,803	35,536	436,339
Bonds payable (net of unamortized discount/premium)	47,002,260	2,180,848	49,183,108
Net pension liability	245,750,764	58,169,987	303,920,751
OPEB liability	13,771,569	3,140,685	16,912,254
Total noncurrent liabilities	313,287,314	64,989,204	378,276,518
Total liabilities	396,246,330	79,012,329	475,258,659
<u>Deferred inflows of resources</u>			
Related to leases	123,660	3,637,713	3,761,373
Related to pensions	23,843,168	6,191,816	30,034,984
Related to OPEB	4,936,702	1,423,752	6,360,454
Total deferred inflows of resources	28,903,530	11,253,281	40,156,811
Total liabilities and deferred inflows of resources	425,149,860	90,265,610	515,415,470
<u>Net position</u>			
Net investment in capital assets	618,229,436	338,779,028	957,008,464
Restricted for:			
Net OPEB asset	3,169,372	781,160	3,950,532
Capital projects	63,710,342	12,644,505	76,354,847
Debt service	1,440,071	0	1,440,071
Community development	14,398,884	0	14,398,884
Road operation and maintenance	10,805,636	0	10,805,636
Urban renewal	23,277,656	0	23,277,656
Public safety	3,288,513	0	3,288,513
Culture, parks, and recreation	18,289,671	0	18,289,671
Unrestricted	(32,263,412)	(7,273,360)	(39,536,772)
Total net position	724,346,169	344,931,333	1,069,277,502

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

City of Eugene, Oregon

Statement of Activities

For the fiscal year ended June 30, 2025

(amounts in dollars)

Functions/Programs	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
<u>Governmental activities:</u>								
Central services	44,906,108	(25,740,229)	6,447,654	686,375	0	(12,031,850)	0	(12,031,850)
Fire and emergency medical services	49,169,122	4,728,763	4,719,620	906,086	0	(48,272,179)	0	(48,272,179)
Library, recreation, and cultural services	48,704,954	3,615,068	13,002,390	265,402	0	(39,052,230)	0	(39,052,230)
Planning and development	42,899,108	2,365,629	15,971,737	11,882,827	0	(17,410,173)	0	(17,410,173)
Police	86,280,802	8,467,563	3,095,727	4,735,248	0	(86,917,390)	0	(86,917,390)
Public works	53,966,071	1,828,290	10,140,155	15,243,791	19,228,299	(11,182,116)	0	(11,182,116)
Interest on long term debt	2,764,056	0	0	0	0	(2,764,056)	0	(2,764,056)
Total governmental activities	328,690,221	(4,734,916)	53,377,283	33,719,729	19,228,299	(217,629,994)	0	(217,629,994)
<u>Business-type activities:</u>								
Ambulance transport	16,602,087	954,492	11,213,512	6,774,654	0	0	431,587	431,587
Municipal airport	27,682,074	757,500	26,897,253	16,107	6,184,914	0	4,658,700	4,658,700
Parking services	7,366,546	416,496	7,333,141	0	0	0	(449,901)	(449,901)
Stormwater utility	27,242,259	1,070,942	27,109,275	207,580	11,748,973	0	10,752,627	10,752,627
Wastewater utility	41,359,844	1,535,486	39,692,637	0	2,177,304	0	(1,025,389)	(1,025,389)
Total business-type activities	120,252,810	4,734,916	112,245,818	6,998,341	20,111,191	0	14,367,624	14,367,624
Total activities	448,943,031	0	165,623,101	40,718,070	39,339,490	(217,629,994)	14,367,624	(203,262,370)
<u>General revenues:</u>								
Property taxes						160,506,642	0	160,506,642
Community safety payroll tax						25,355,395	0	25,355,395
Transient room tax						4,801,900	0	4,801,900
Local motor vehicle fuel tax						2,976,617	0	2,976,617
Local marijuana tax						1,362,626	0	1,362,626
Contributions in lieu of taxes						14,718,561	0	14,718,561
Utility tax revenue						7,674,201	0	7,674,201
Grants and contributions not restricted to specific programs						6,862,771	0	6,862,771
Unrestricted investment earnings						18,504,459	1,931,618	20,436,077
Transfers						(3,202,274)	3,202,274	0
Total general revenues and transfers						239,560,898	5,133,892	244,694,790
Change in net position						21,930,904	19,501,516	41,432,420
Net position, beginning of year						702,415,265	325,429,817	1,027,845,082
Net position, end of year						724,346,169	344,931,333	1,069,277,502

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

City of Eugene, Oregon

Balance Sheet

Governmental Funds

June 30, 2025

(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	60,647,197	2,491,064	20,163,477	29,799,620	116,428,433	229,529,791
Restricted cash and investments	3,571,250	227,595	25,673	607,929	18,670	4,451,117
Receivables:						
Interest	873,789	34,542	0	0	185,162	1,093,493
Taxes	5,306,794	0	0	0	1,159,586	6,466,380
Accounts	3,194,642	469,743	0	1,333,856	6,843,969	11,842,210
Assessments	0	0	0	0	74,915	74,915
Loans and notes	0	12,737,935	0	0	2,525,130	15,263,065
Leases	88,315	0	0	0	70,691	159,006
Allowance for uncollectibles	(74,716)	(26,743)	0	0	(18,699)	(120,158)
Interfund loans receivable	14,839,016	0	0	0	0	14,839,016
Due from other governments	6,268,807	224,087	5,262,620	0	4,733,925	16,489,439
Inventories	3,500	0	0	0	1,212,688	1,216,188
Prepays and deposits	1,839,567	0	0	0	1,565,418	3,404,985
Assets held for resale	0	0	0	0	781,559	781,559
Total assets	96,558,161	16,158,223	25,451,770	31,741,405	135,581,447	305,491,006
Liabilities						
Accounts payable	1,163,330	321,683	437,426	752,277	2,170,843	4,845,559
Wages payable	7,403,262	42,229	0	21,053	1,946,447	9,412,991
Due to other governments	204,125	0	122	0	228,167	432,414
Deposits	1,448,155	0	0	0	1,484,639	2,932,794
Due to other funds	5,298,890	0	0	0	0	5,298,890
Retainage payable	0	0	9,125	453,455	433,399	895,979
Unearned revenue	7,187,669	215,662	0	0	128,168	7,531,499
Total liabilities	22,705,431	579,574	446,673	1,226,785	6,391,663	31,350,126
Deferred inflows of resources						
Related to leases	34,043	0	0	0	67,846	101,889
Unavailable revenue	6,856,482	12,699,948	0	988,413	3,918,628	24,463,471
Total deferred inflows of resources	6,890,525	12,699,948	0	988,413	3,986,474	24,565,360
Fund balances						
Nonspendable	1,843,067	0	0	0	2,778,106	4,621,173
Restricted	888,831	2,878,701	0	29,526,207	80,682,093	113,975,832
Committed	0	0	0	0	41,743,111	41,743,111
Assigned	35,674,487	0	25,005,097	0	0	60,679,584
Unassigned	28,555,820	0	0	0	0	28,555,820
Total fund balances	66,962,205	2,878,701	25,005,097	29,526,207	125,203,310	249,575,520
Total liabilities, deferred inflows						
of resources, and fund balances	96,558,161	16,158,223	25,451,770	31,741,405	135,581,447	
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.						
						22,824,018
Capital assets are not financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value.						
						609,286,865
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.						
						(76,610,107)
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.						
						(158,793,173)
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.						
						78,063,046
Net position of governmental activities						724,346,169

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

			General	Systems	Other	Total
		Community	Capital	Development	Governmental	Governmental
	General	Development	Projects	Capital	Funds	Funds
<u>Revenues</u>						
Taxes	151,354,045	0	0	0	56,846,098	208,200,143
Licenses and permits	6,188,037	0	0	0	10,412,827	16,600,864
Intergovernmental	13,854,328	7,091,099	5,463,358	0	25,294,899	51,703,684
Rental income	745,208	0	0	0	20,171	765,379
Charges for services	20,068,359	27,207	0	5,055,149	5,111,468	30,262,183
Fines and forfeits	1,670,727	0	0	0	30,683	1,701,410
Special assessments	0	0	0	0	2,442	2,442
Repayment of revolving loans	0	723,273	0	0	39,010	762,283
Miscellaneous	6,060,395	878,862	3,558,598	1,797,249	7,822,028	20,117,132
Total revenues	199,941,099	8,720,441	9,021,956	6,852,398	105,579,626	330,115,520
<u>Expenditures</u>						
Current - departmental:						
Central services	19,298,553	159,996	0	60,492	9,397,185	28,916,226
Fire and emergency medical services	42,289,521	0	0	0	4,098,049	46,387,570
Library, recreation, and cultural services	42,129,561	0	9,518	0	4,838,158	46,977,237
Planning and development	18,870,529	8,268,902	0	119,270	14,837,226	42,095,927
Police	66,319,582	0	0	0	16,066,876	82,386,458
Public works	6,123,075	0	0	590,450	21,758,301	28,471,826
Debt service:						
Principal	0	0	0	0	14,972,000	14,972,000
Interest	850,339	0	0	0	1,565,508	2,415,847
Capital outlay	0	0	14,306,237	12,799,835	22,888,091	49,994,163
Special payments	4,778	0	0	0	0	4,778
Total expenditures	195,885,938	8,428,898	14,315,755	13,570,047	110,421,394	342,622,032
Excess (deficiency) of revenues over expenditures	4,055,161	291,543	(5,293,799)	(6,717,649)	(4,841,768)	(12,506,512)
<u>Other financing sources (uses)</u>						
Loss from sale of assets	0	0	0	0	(10,760)	(10,760)
Issuance of debt	1,624,396	0	0	0	10,525,619	12,150,015
Transfers in	2,333,548	0	370,000	0	5,072,559	7,776,107
Transfers out	(918,492)	0	(2,080,000)	(150,000)	(5,622,559)	(8,771,051)
Total other financing sources (uses)	3,039,452	0	(1,710,000)	(150,000)	9,964,859	11,144,311
Net change in fund balances	7,094,613	291,543	(7,003,799)	(6,867,649)	5,123,091	(1,362,200)
Fund balances, beginning of year	59,867,592	2,587,158	32,008,896	36,393,856	120,080,218	250,937,720
Fund balances, end of year	66,962,205	2,878,701	25,005,097	29,526,207	125,203,309	249,575,520

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

City of Eugene, Oregon

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, 2025
(amounts in dollars)

Net change in fund balances - total governmental funds	(1,362,200)
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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.	2,995,819
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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.	5,534,800
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Governmental funds do not report expenditures for unpaid compensated absences, net pension and OPEB liabilities, interest expense, leases or subscription agreements 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.	(11,120,458)
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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.	20,341,275
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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.	5,387,885
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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.	(5,243,245)
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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.	5,397,029
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Change in net position of governmental activities	<div style="border-top: 1px solid black; border-bottom: 3px double black; padding: 2px 0;">21,930,904</div>
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The accompanying notes are an integral part of the financial statements.

City of Eugene, Oregon

Statement of Fund Net Position

Proprietary Funds

June 30, 2025

(amounts in dollars)

	Business-type Activities Enterprise Funds					Total Internal Service Funds
	Ambulance Transport	Municipal Airport	Parking Services	Stormwater Utility	Wastewater Utility	Totals
<u>Assets</u>						
<u>Current assets</u>						
Equity in pooled cash and investments	0	28,989,907	220,567	13,768,053	3,457,790	46,436,317
Restricted cash and investments	0	0	0	0	0	0
Receivables:						
Accounts	8,824,611	2,811,963	720,545	3,578,957	2,026,505	17,962,581
Loans and notes	0	0	0	0	639	639
Leases	0	1,401,923	570,932	1,661	2,345	1,976,861
Allowance for uncollectibles	(762,034)	(152,870)	(334,557)	(13,658)	(6,827)	(1,269,946)
Due from other governments	589,554	1,311,917	191,407	2,634,697	5,164,916	9,892,491
Interfund loans receivable	0	0	0	0	0	0
Inventories	0	0	50,529	395,478	0	446,007
Prepays and deposits	0	4,374	0	6,348	6,348	17,070
Total current assets	8,652,131	34,367,214	1,419,423	20,371,536	10,651,716	75,462,020
<u>Noncurrent assets</u>						
Loans and notes receivable	0	0	0	0	51,135	51,135
Leases receivable	0	898,761	843,380	0	0	1,742,141
Advances to other funds	0	0	0	0	0	0
Net OPEB asset	182,458	144,079	26,447	173,068	255,108	781,160
Capital assets:						
Land	0	6,506,052	2,096,235	7,146,208	1,423,237	17,171,732
Improvements other than buildings	379,107	194,117,990	1,005,967	5,913,082	2,741,255	204,157,401
Infrastructure	0	1,622,960	0	0	0	1,622,960
Trunk sewers	0	354,650	0	2,000,412	185,808,653	188,163,715
Storm sewers	0	738,060	0	104,681,780	2,421,480	107,841,320
Buildings and equipment	2,673,215	85,419,934	33,004,569	1,593,385	1,784,315	124,475,418
Intangibles	0	250,476	0	822,175	822,175	1,894,826
Construction in progress	0	8,305,353	1,100,003	10,059,088	11,860,788	31,325,232
Accumulated depreciation/amortization	(2,398,760)	(142,478,278)	(23,679,098)	(45,078,974)	(122,468,673)	(336,103,783)
Total noncurrent assets	836,020	155,880,037	14,397,503	87,310,224	84,699,473	343,123,257
Total assets	(1,562,740)	190,247,251	15,816,926	107,681,760	95,351,189	418,585,277
<u>Deferred outflows of resources</u>						
Related to pensions	5,447,046	4,254,358	862,437	5,406,221	7,961,205	23,931,267
Related to OPEB	97,283	89,056	34,374	156,475	230,586	607,774
Total deferred outflows of resources	5,544,329	4,343,414	896,811	5,562,696	8,191,791	24,539,041
Total assets and deferred outflows of resources	15,032,480	194,590,665	16,713,737	113,244,456	103,542,980	443,124,318

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

continued

	Business-type Activities Enterprise Funds						Total Internal Service Funds
	Ambulance Transport	Municipal Airport	Parking Services	Stormwater Utility	Wastewater Utility	Totals	
<u>Liabilities</u>							
<u>Current liabilities</u>							
Accounts payable	58,829	386,512	103,991	448,356	804,323	1,802,011	819,499
Wages payable	473,096	517,776	109,693	623,103	851,598	2,575,266	3,595,277
Compensated absences payable	452,732	1,085,263	162,077	1,000,006	1,405,572	4,105,650	2,181,097
Due to other funds	9,540,124	0	0	0	0	9,540,124	0
Due to other governments	19,612	32,085	0	124,541	618,345	794,583	331,617
Claims payable	0	0	0	0	0	0	16,594,000
Deposits	0	84,756	23,152	31,575	719,444	858,927	112,376
Retainage payable	0	0	0	3,503	229,702	233,205	0
Interfund loans payable	0	0	150,000	0	0	150,000	0
Interest payable	5,615	4,968	1,268	7,155	10,876	29,882	44,637
Unearned revenue	956	224,129	0	1,144,234	0	1,369,319	0
Leases payable	0	0	0	68,248	68,248	136,496	228,289
Subscription payable	0	50,321	0	0	0	50,321	384,318
OPEB current liability	37,831	38,579	10,463	55,792	73,575	216,240	166,516
Bonds payable	278,996	251,858	63,255	714,029	543,088	1,851,226	294,708
Total current liabilities	10,867,791	2,676,247	623,899	4,220,542	5,324,771	23,713,250	24,752,334
<u>Noncurrent liabilities</u>							
Compensated absences payable	0	0	11,083	93,244	43,587	147,914	479,116
Advances from other funds	0	0	40,000	0	0	40,000	0
Leases payable	0	0	0	657,117	657,117	1,314,234	1,564,480
Subscription payable	0	35,536	0	0	0	35,536	293,413
Bonds payable (net of unamortized discount/premium)	473,157	427,134	107,276	252,242	921,039	2,180,848	6,444,520
Net pension liability	12,100,916	10,434,867	2,525,102	13,452,361	19,656,741	58,169,987	27,602,481
Total OPEB liability	523,978	449,039	179,973	796,991	1,190,704	3,140,685	5,691,593
Total noncurrent liabilities	13,098,051	11,346,576	2,863,434	15,251,955	22,469,188	65,029,204	42,075,603
Total liabilities	23,965,842	14,022,823	3,487,333	19,472,497	27,793,959	88,742,454	66,827,937
<u>Deferred inflows of resources</u>							
Related to leases	0	2,291,648	1,342,295	1,563	2,207	3,637,713	21,771
Related to pensions	2,057,422	785,928	(50,442)	1,131,600	2,267,308	6,191,816	1,724,203
Related to OPEB	245,748	245,774	67,497	375,161	489,572	1,423,752	699,366
Total deferred inflows of resources	2,303,170	3,323,350	1,359,350	1,508,324	2,759,087	11,253,281	2,445,340
Total liabilities and deferred inflows of resources	26,269,012	17,346,173	4,846,683	20,980,821	30,553,046	99,995,735	69,273,277
<u>Net position</u>							
Net investment in capital assets	653,562	154,751,341	13,527,675	86,408,288	83,438,162	338,779,028	35,670,088
Net OPEB asset	182,458	144,079	26,447	173,068	255,108	781,160	355,693
Restricted for capital projects	0	12,644,505	0	0	0	12,644,505	0
Unrestricted	(12,072,552)	9,704,567	(1,687,068)	5,682,279	(10,703,336)	(9,076,110)	43,840,015
Total net position	(11,236,532)	177,244,492	11,867,054	92,263,635	72,989,934	343,128,583	79,865,796
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						1,802,750	
Net position of business-type activities						344,931,333	

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

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Business-type Activities Enterprise Funds						Total Internal Service Funds
	Ambulance Transport	Municipal Airport	Parking Services	Stormwater Utility	Wastewater Utility	Totals	
<u>Operating revenues</u>							
Licenses and permits	0	374,886	0	232,330	32,258	639,474	98,743
Rental income	0	5,296,759	798,111	8,116	4,851	6,107,837	689,338
Charges for services	10,350,839	21,185,218	4,930,426	26,801,198	39,577,327	102,845,008	103,125,318
Fines and forfeits	0	11,385	1,541,406	0	5,210	1,558,001	0
Miscellaneous	862,673	28,281	63,198	67,631	72,991	1,094,774	506,320
Total operating revenues	11,213,512	26,896,529	7,333,141	27,109,275	39,692,637	112,245,094	104,419,719
<u>Operating expenses</u>							
Personnel services	9,414,103	9,813,067	2,052,377	12,446,118	16,486,344	50,212,009	27,194,789
Contractual services	1,861,253	1,159,084	1,670,868	3,188,687	2,253,647	10,133,539	7,401,978
Materials and supplies	1,216,340	2,224,759	277,735	852,821	8,208,929	12,780,584	8,148,561
Maintenance	1,841,621	1,685,032	1,752,760	3,455,183	3,255,910	11,990,506	4,071,769
Utilities	32,889	722,418	63,140	1,864,311	2,925,935	5,608,693	3,642,306
Rent	0	29,788	30,024	63,700	11,539	135,051	145,593
Taxes	0	0	30,950	0	0	30,950	876
Insurance	39,684	450,508	344,400	127,176	317,700	1,279,468	6,007,245
Claims	300	0	0	0	0	300	37,082,357
Central business functions	954,492	757,500	416,496	1,070,942	1,535,486	4,734,916	2,100,960
Depreciation/amortization	91,176	9,425,078	718,878	2,865,698	4,511,087	17,611,917	5,391,897
Pension expense	2,070,493	2,071,850	372,397	2,450,497	3,272,073	10,237,310	5,274,557
Total operating expenses	17,522,351	28,339,084	7,730,025	28,385,133	42,778,650	124,755,243	106,462,888
Operating income (loss)	(6,308,839)	(1,442,555)	(396,884)	(1,275,858)	(3,086,013)	(12,510,149)	(2,043,169)
<u>Nonoperating revenues (expenses)</u>							
Interest revenue	0	1,268,891	26,654	777,742	343,467	2,416,754	5,128,800
Interest expense	(536,658)	(47,327)	(27,083)	(83,927)	(118,030)	(813,025)	(540,660)
Gain (loss) on sale of capital assets	0	0	0	5,925	0	5,925	265,261
Intergovernmental	6,774,654	16,832	0	207,580	0	6,999,066	35,276
Total nonoperating revenues (expenses)	6,237,996	1,238,396	(429)	907,320	225,437	8,608,720	4,888,677
Income (loss) before capital contributions and transfers	(70,843)	(204,159)	(397,313)	(368,538)	(2,860,576)	(3,901,429)	2,845,508
Capital contributions	0	6,184,914	0	12,099,425	5,359,316	23,643,655	1,316,045
Transfers in	1,200,000	0	0	0	0	1,200,000	1,548,502
Transfers out	(143,631)	(1,064,372)	0	(15,819)	(306,369)	(1,530,191)	(223,367)
Change in net position	985,526	4,916,383	(397,313)	11,715,068	2,192,371	19,412,035	5,486,688
Total net position, beginning of year	(12,222,058)	172,328,109	12,264,367	80,548,567	70,797,563	323,716,548	74,379,108
Total net position, end of year	(11,236,532)	177,244,492	11,867,054	92,263,635	72,989,934	343,128,583	79,865,796
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						89,481	
Change in net position of business-type activities						19,501,516	

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

City of Eugene, Oregon

Statement of Cash Flows*Proprietary Funds*

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Business-type Activities Enterprise Funds						Total Internal Service Funds
	Ambulance Transport	Municipal Airport	Parking Services	Stormwater Utility	Wastewater Utility	Totals	
<u>Cash flows from operating activities</u>							
Cash received from customers	8,916,163	28,719,753	7,185,054	25,136,978	46,305,047	116,262,995	24,735,322
Cash received from interfund services provided	0	0	0	0	0	0	79,671,989
Cash received from MWMC for operating reimbursements	0	0	0	0	19,794,758	19,794,758	0
Cash paid to MWMC for sewer user and septic hauler fees collected	0	0	0	0	(29,168,487)	(29,168,487)	0
Cash paid to suppliers for goods and services	(2,159,777)	(4,635,922)	(2,070,586)	(5,268,304)	(12,934,748)	(27,069,337)	(63,606,715)
Cash paid to employees for services	(9,726,335)	(9,891,356)	(1,895,394)	(12,034,833)	(16,064,490)	(49,612,408)	(26,312,721)
Cash paid for interfund services used	(3,239,503)	(2,812,440)	(2,441,324)	(6,514,167)	(6,467,260)	(21,474,694)	(7,528,243)
Cash paid for central business functions	(954,492)	(757,500)	(416,496)	(1,070,942)	(1,535,486)	(4,734,916)	(2,100,960)
Net cash provided by (used for) operating activities	(7,163,944)	10,622,535	361,254	248,732	(70,666)	3,997,911	4,858,672
<u>Cash flows from noncapital financing activities</u>							
Transfers in	1,200,000	0	0	0	0	1,200,000	18,633
Transfers out	(143,631)	(0)	0	(3,550)	(66,998)	(214,179)	(223,367)
Advances from other funds	0	0	(150,000)	0	0	(150,000)	0
Interest payments on pension bonds	(51,522)	(47,327)	(27,083)	(66,190)	(100,293)	(292,415)	(461,997)
Subsidy from grant	6,774,654	16,832	0	207,580	0	6,999,066	35,276
Net cash provided by (used for) noncapital financing activities	7,779,501	(30,495)	(177,083)	137,840	(167,291)	7,542,472	(631,455)
<u>Cash flows from capital and related financing activities</u>							
Advances to other funds	0	0	0	0	0	0	150,000
Contributions from other funds and governments	0	6,184,914	0	1,776,443	808,289	8,769,646	0
Proceeds from sale of capital assets	0	0	0	5,925	0	5,925	361,984
Principal payments on leases, subscriptions, notes, bonds, and certificates	0	(81,455)	0	(64,247)	(64,247)	(209,949)	(389,215)
Interest payments on leases, subscriptions, notes, bonds, and certificates	0	0	0	(17,737)	(17,737)	(35,474)	(61,616)
Acquisition and construction of capital assets	(130,421)	(13,818,915)	(53,363)	(5,375,689)	(5,486,657)	(24,865,045)	(8,610,236)
Net cash provided by (used for) capital and related financing activities	(130,421)	(7,715,456)	(53,363)	(3,675,305)	(4,760,352)	(16,334,897)	(8,549,083)
<u>Cash flows from investing activities</u>							
Interest revenue	0	1,268,891	26,654	777,742	343,467	2,416,754	5,128,800
Interest expense	(485,136)	0	0	0	0	(485,136)	0
Repayment of lease and notes receivable	0	2,241	0	4,946	(33,787)	(26,600)	1,568,455
Net cash provided by (used for) investing activities	(485,136)	1,271,132	26,654	782,688	309,680	1,905,018	6,697,255
Net increase (decrease) in cash	0	4,147,716	157,462	(2,506,045)	(4,688,629)	(2,889,496)	2,375,389
Cash, July 1, 2024	0	24,842,191	63,105	16,274,098	8,146,419	49,325,813	95,665,296
Cash, June 30, 2025	0	28,989,907	220,567	13,768,053	3,457,790	46,436,317	98,040,685

continued

Business-type 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>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities							
Operating income (loss)	(6,308,839)	(1,442,555)	(396,884)	(1,275,858)	(3,086,013)	(12,510,149)	(2,043,169)
<u>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities</u>							
Depreciation/amortization	91,176	9,425,078	718,878	2,865,698	4,511,087	17,611,917	5,391,897
(Increase) Decrease in accounts receivable	(2,628,467)	(285,541)	(132,514)	(622,752)	58,221	(3,611,053)	(404,033)
(Increase) Decrease in leases receivable	0	0	(419,801)	0	0	(419,801)	0
Increase (Decrease) in allowance for uncollectibles	(24,986)	(25,222)	44,271	(196)	(1,058)	(7,191)	2,412
(Increase) Decrease in due from other governments	355,148	1,976,797	(22,642)	(2,321,317)	(2,503,490)	(2,515,504)	289,131
(Increase) Decrease in prepaids and deposits	82,145	48,205	0	(4,621)	72,721	198,450	1,480,764
(Increase) Decrease in inventories	0	0	(1,413)	279,524	0	278,111	0
(Increase) Decrease in deferred outflows related to pensions	(975,994)	(976,635)	(175,541)	(1,155,122)	(1,542,399)	(4,825,691)	(3,093,363)
(Increase) Decrease in deferred outflows related to OPEB	42,969	43,980	12,701	65,830	86,646	252,126	126,967
Increase (Decrease) in deferred inflows related to pensions	234,939	235,093	42,256	278,057	371,282	1,161,627	1,205,531
Increase (Decrease) in deferred inflows related to OPEB	55,761	56,900	15,607	82,789	109,138	320,195	161,681
(Increase) Decrease in net OPEB asset	(6,321)	(6,325)	(1,137)	(7,481)	(9,989)	(31,253)	0
Increase (Decrease) in net pension liability	1,123,129	1,123,866	202,006	1,329,261	1,774,921	5,553,183	2,856,824
Increase (Decrease) in accounts payable	37,537	215,126	41,497	(397,646)	22,498	(80,988)	153,812
Increase (Decrease) in wages payable	(43,082)	4,761	111	94,992	141,833	198,615	481,646
Increase (Decrease) in deferred inflows related to leases	0	0	391,918	(6,059)	(6,907)	378,952	(21,772)
Increase (Decrease) in compensated absences payable	(50,794)	147,827	67,422	221,338	198,338	584,131	591,184
Increase (Decrease) in total OPEB liability	(58,434)	(59,589)	(16,162)	(86,177)	(113,645)	(334,007)	(180,517)
Increase (Decrease) in retainage payable	0	0	0	(89,057)	137,143	48,086	0
Increase (Decrease) in claims payable	0	0	0	0	0	0	(2,152,506)
Increase (Decrease) in deposits	0	0	(2,020)	31,053	0	29,033	34,800
Increase (Decrease) in due to other funds	906,660	0	0	0	0	906,660	0
Increase (Decrease) in due to other governments	2,553	(16,421)	0	19,502	(290,993)	(285,359)	30,329
Increase (Decrease) in unearned revenue	956	157,190	(7,299)	946,974	0	1,097,821	(52,946)
Net cash provided by (used for) operating activities	(7,163,944)	10,622,535	361,254	248,732	(70,666)	3,997,911	4,858,672

Non-cash transactions

During the year, the Stormwater Utility Fund capitalized \$924,974 in assets contributed from customers, and transferred \$467,142 of capital assets from governmental funds.

Stormwater capitalized \$9,376,750 of improvements

During the year, the Wastewater Utility Fund capitalized \$1,369,015 in assets contributed from customers, and transferred \$3,182,012 of capital assets purchased by governmental funds.

Airport liabilities increased \$100,586 due to new gate management software

Airport liabilities increased \$1,064,370 in vehicles and related equipment that we paid by Airport funds but transferred to Fleet fund

ISF Fleet funds received \$1,064,370 from the Airport and \$251,640 from Wastewater funds for vehicles and related equipment

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

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 Annual Comprehensive 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.

(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.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continuedGovernment-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 non-operating 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 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."

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

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

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 a special revenue fund 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.

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.

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, continuedProprietary Funds, continued

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:

Special Revenue Funds:

Community Safety

Construction and Rental Housing

Library Local Option Levy

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, continuedSpecial Revenue Funds, continued

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

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 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.

(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

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued(F) Equity in Pooled Cash and Investments, continued

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 market 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) Restricted Cash and Investments

Restricted cash and investments are those whose use is restricted to specific purposes by legal or contractual requirements. At June 30, 2025, the City had \$4.5 million of cash and investments restricted for unspent bond proceeds and grant revenue received in advance.

(H) 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.

(I) 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."

(J) 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.

(K) 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 \$10,000. 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, right-to-use leased assets, right-to-use subscription licenses and computer software.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued(K) Capital Assets, continued

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.

Tangible 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 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. Intangible assets are amortized over those periods expected to benefit from the use of the asset.

Depreciation and amortization 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	2-32 years

Upon disposal of capital assets, cost, accumulated depreciation and accumulated amortization 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(L) Compensated Absences

Liabilities for accumulated or vested vacation and sick leave and compensation time benefits (compensated absences) are recorded in the government-wide financial statements and proprietary fund financial statements. Recognition occurs when the absences have been earned by the employee, accumulates and carries over from year-to-year and is more likely than not to be used as time-off or converted to another type of compensation. The governmental fund financial statements do not report liabilities for compensated absences unless they are due for payment or more than likely be paid within 12 months for sick leave. Employees may accumulate earned but unused sick time. When employees leave employment, no monetary obligation exists, however the compensated absences balance includes an estimate of how much sick time will be used by employees in the next 12 months. Employees may accumulate earned but unused vacation time, which are eligible for payment at the employee's current rate of pay upon separation from employment.

(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.

(N) Deferred Inflows/Outflows of Resources

In addition to assets, the government-wide Statement of Net Position and the proprietary funds Statement of Fund Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expenditure/expense) until then. The City has several 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 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 assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has several 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, pensions and leases. These amounts are deferred and recognized as an inflow of resources in the period when the City recognizes leases, OPEB and pension income and is reported in the government-wide Statement of Net Position and the proprietary funds Statement of Fund 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.

(P) Other Post-Employment Benefits (OPEB)

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

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued(P) Other Post-Employment Benefits (OPEB), continuedOPEB – Retiree Health and Life Insurance Plan (RHLI)

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 OPEB 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 OPEB asset, 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 non-spendable when the resources cannot be spent because they are either in a non-spendable form or legally or contractually required to be maintained intact. Resources in non-spendable 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 Accounting Manager uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the City's Annual Comprehensive 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, 2025 were as follows:

			General	Systems Development	Other	Total
	General	Community Development	Capital Projects	Capital Projects	Governmental Funds	Governmental Funds
<u>Fund balances</u>						
Nonspendable:						
Inventories	3,500	0	0	0	1,212,688	1,216,188
Prepays and deposits	1,839,567	0	0	0	1,565,418	3,404,985
Restricted:						
Capital projects	0	0	0	29,526,207	23,390,737	52,916,944
Community development	0	2,878,701	0	0	0	2,878,701
Rental housing program	0	0	0	0	760,369	760,369
Cultural services	888,831	0	0	0	17,224,996	18,113,827
Debt service	0	0	0	0	821,176	821,176
Road maintenance	0	0	0	0	11,143,529	11,143,529
Public safety	0	0	0	0	3,447,735	3,447,735
Solid waste and recycling	0	0	0	0	1,765,570	1,765,570
Urban renewal	0	0	0	0	22,127,981	22,127,981
Committed:						
Construction permits	0	0	0	0	11,560,902	11,560,902
Public safety	0	0	0	0	23,418,993	23,418,993
Special assessments	0	0	0	0	2,749,274	2,749,274
Telecommunications	0	0	0	0	4,013,942	4,013,942
Assigned:						
Unappropriated						
ending fund balance	33,340,000	0	0	0	0	33,340,000
Capital projects	0	0	25,005,097	0	0	25,005,097
Cultural services	1,715,829	0	0	0	0	1,715,829
Other reserves	618,658	0	0	0	0	618,658
Unassigned	28,555,820	0	0	0	0	28,555,820
Total fund balances	\$ 66,962,205	2,878,701	25,005,097	29,526,207	125,203,310	249,575,520

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies, continued(R) Leases, Subscription Based Information Technology Agreements and Related Right-to-Use Assets

The City is a lessee for noncancellable leases of building and equipment. The City also enters into certain subscription agreements exceeding twelve months for right-to-use software and other intangible assets. The City recognizes a lease liability or a subscription liability and a related intangible right-to-use asset (lease or subscription asset) in the government-wide financial statements. The City recognizes these liabilities with an initial, individual value of \$10,000 as capital assets.

At the commencement of a lease or subscription term, the City initially measures the liability at the present value of payments expected to be made during the term. Subsequently, the liability is reduced by the principal portion of payments made. The lease or subscription asset is initially measured as the initial amount of the liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the intangible right to use asset is amortized on a straight-line basis over the life of the term.

Key estimates and judgments related to leases and subscriptions include (1) the discount rate it uses to discount the expected payments to present value, (2) term, and (3) payments.

- The City uses its estimated incremental borrowing rate as the discount rate for leases and subscriptions. The incremental borrowing rate is a combination of the applicable treasury rate and a generic credit spread provided by active financial organizations.
- The lease or subscription term includes the noncancellable period of the lease or subscription. Payments included in the measurement of the liability are composed of fixed payments to the lessor or subscription vendor.

The City monitors changes in circumstances that would require a remeasurement of its lease or subscription and will remeasure the related asset and liability if certain changes occur that are expected to significantly affect the amount of the liability. Lease and subscription assets are reported as intangible assets with other capital assets and liabilities are reported with long-term debt on the statement of net position.

Lessor: The City is a lessor for non-cancellable leases of building space. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payment received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases. The incremental borrow rate is a combination of the applicable treasury rate and a generic credit spread provided by active financial organizations.
- The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

(S) 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

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

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.

(T) Net Position and Fund Balance

In the fund financial statements, assets in excess of liabilities are presented in one of two ways depending on the measurement focus of the statement.

On the Statement of Net Position for government-wide reporting and for proprietary funds, net position is segregated into three categories: net investment in capital assets, restricted net position and unrestricted net position.

Net investment in capital assets represents the difference between capital assets less accumulated depreciation and amortization, deferred outflows of resources, and the outstanding balance of debt (excluding unexpended proceeds) directly attributable to the acquisition, construction, or improvement of those assets.

Restricted net position represents net position that is not subject solely to the government's own discretion. Restrictions may be placed on net position by an external third party that provided the resources, by-laws, or regulations of other governments. These restrictions may be placed by enabling legislation, be endowment agreements, or by the nature of the asset. Unspent bond proceeds for capital projects are used in the calculation of restricted net position.

Below are descriptions for each category of Restricted Net Position from Exhibit 1.

Net OPEB asset - Investment assets held by the OPEB Plan in excess of OPEB Liabilities

Capital projects - Assets restricted for the development of capacity-enhancing capital projects. Examples include parks, transportation, stormwater, wastewater, roads and airport infrastructure.

Debt service - Assets restricted for the purpose of paying principal and interest of debt, including general obligation and special assessments.

Community development - Assets restricted for the purpose of funding the priorities of community development, low-income housing. It includes CDBG and HUD related funds.

Road operation and maintenance - Assets restricted for the operations and maintenance of the City's street transportation system. Sources of the funds are State and Federal monies and grants.

Urban renewal - Assets restricted for the development and improvement of land within the Urban Renewal boundaries. Funds are generated from an ad valorem tax on property within the Urban Renewal boundaries.

Public safety - Assets restricted for the operation of the emergency dispatch center. Funds are generated by telephone excise taxes and interfund transfers.

Culture, parks, and recreation - Assets restricted to the operation or capital improvements of assets pertaining to culture, parks and recreational activities. Sources of funds include the Parks & Rec and Library local option levies and private donations to the city.

Unrestricted represents all other net positions that are not restricted and do not meet the definition of investment in capital assets.

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 difference are as follows:

Receivables:	
Interest	\$ 1,058,951
Taxes	6,466,380
Systems development charges	988,412
Municipal court	675,898
Assessments	76,722
Loans and notes	<u>15,197,108</u>
Subtotal	24,463,471
Allowance for uncollectibles	<u>(1,639,453)</u>
Net adjustment	\$ <u>22,824,018</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 difference are as follows:

Capital assets (net of accumulated depreciation/amortization) reported in the Statement of Net Position - governmental activities column:	
Land and construction in progress	\$ 173,349,660
Other capital assets (net of accumulated depreciation/amortization)	474,077,792
Capital assets (net of accumulated depreciation/amortization) reported in internal service funds included in the Statement of Net Position - governmental activities column	<u>(38,140,587)</u>
Net adjustment	\$ <u>609,286,865</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 difference are as follows:

Bonds payable	\$ (51,307,871)
Intergovernmental loan payable	(2,080,000)
Accrued interest payable	(251,500)
Leases payable	(4,885,605)
Subscription payable	(362,575)
Compensated absences	<u>(17,722,556)</u>
Net adjustment	<u>(76,610,107)</u>

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

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 are as follows:

Deferred inflows related to pensions	\$ (22,552,655)
Deferred inflows related to OPEB	(4,237,336)
Deferred outflows related to pensions	89,990,583
Deferred outflows related to OPEB	1,949,602
Net pension liability	(218,148,283)
Net OPEB liability/asset	<u>(5,795,084)</u>
Net adjustment	\$ <u><u>(158,793,173)</u></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 are as follows:

Change in unavailable revenue from the following sources:	
Property taxes receivable	\$ 1,521,598
Special assessments receivable	3,121,812
System development charges receivable	(1,071,121)
Municipal court receivables	<u>(582,769)</u>
Subtotal	2,989,520
Change in the allowance for uncollectibles	<u>6,299</u>
Net adjustment	\$ <u><u>2,995,819</u></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 difference are as follows:

Donations of capital assets	\$ 6,795,717
Sale of capital assets	<u>(1,260,917)</u>
Net adjustment	\$ <u><u>5,534,800</u></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

Governmental funds do not report expenditures for unpaid compensated absences, leases, 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 difference are as follows:

Compensated absences	\$ (4,131,895)
Combined change in all OPEB assets/liabilities	(501,529)
Net pension liability	<u>(6,487,034)</u>
Net adjustment	\$ <u><u>(11,120,458)</u></u>

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 difference are as follows:

Capital outlay	\$ 49,994,163
Depreciation expense/amortization	<u>(29,652,888)</u>
Net adjustment	\$ <u><u>20,341,275</u></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 difference are as follows:

Debt issued:	
Lease Proceeds	\$ (869,604)
Subscription Proceeds	(1,961,182)
Issuance of general obligation bonds	<u>(10,500,000)</u>
Subtotal	\$ (13,330,786)
Principal payments:	
General obligation debt	\$ 14,972,000
Lease Principle	1,070,390
Subscription Principle	2,410,656
Limited tax bonds	265,625
Tax increment bonds	<u>0</u>
Subtotal	<u>18,718,671</u>
Net adjustment	\$ <u><u>5,387,885</u></u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

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

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	\$ (5,243,245)
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(3) Stewardship, Compliance, and Accountability(A) Budgetary Information

Biannually, 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 biannual budget for all funds through passage of a resolution. The resolution authorizes fund appropriations as current biannual 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 end of the biennium lapse, although an amending resolution passed in the subsequent year specifically provides for the reappropriation of prior-year lapsed encumbrances.

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 \$32,637,787.

(B) Deficit Net Position

The Ambulance Transport Enterprise Fund and the Professional Services Internal Service Fund have a deficit net position of \$11,236,532 and \$6,533,358, 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.

(C) Over-expenditure of Appropriations

For the year ended June 30, 2025, no funds overspent their budget authority.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(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 on June 30, 2025:

Cash on hand	\$	36,893
Cash with fiscal agent		809,636
Deposits with banks		34,711,197
Investments		<u>342,900,186</u>
	\$	<u>378,457,912</u>

Deposits

On June 30, 2025, the City's deposits with various financial institutions were \$34,711,197, 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 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%.

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, 2025, the City had deposits of \$500,000 insured by the FDIC, and \$42,799,696 collateralized under the PFCP. At June 30, 2025, the City had \$809,636 in deposits (cash with fiscal agent) held by escrow companies that were uninsured and uncollateralized.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(A) Equity in Pooled Cash and Investments, continuedInvestments

As of June 30, 2025, the City held the following investments:

<u>Investment type</u>	<u>Fair value</u>	<u>% of investment portfolio</u>	<u>Weighted average maturity in years</u>
Local government investment pool	32,999,958	10%	0.003
Municipal bonds	20,066,431	6%	0.931
Corporate bonds	9,770,786	3%	0.805
U.S. agency securities	121,397,500	35%	1.005
U.S. treasury securities	<u>158,665,511</u>	<u>46%</u>	<u>0.893</u>
Total	\$ <u>342,900,186</u>	<u>100%</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 \$61,749,000, 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.

As of June 30, 2025, the City's investments were rated as follows:

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(A) Equity in Pooled Cash and Investments, continuedInvestments, continued

<u>Investment type</u>	<u>Highest Rating From</u> <u>Moody's Investors Service or Standard & Poor's Corporation</u>			
	<u>Total</u>	<u>Aaa/AAA</u>	<u>Aa/AA</u>	<u>Not rated</u>
Local government				
investment pool	32,999,958	0	0	30,522,345
Municipal bonds	20,066,431	0	16,244,764	0
Corporate Bonds	9,770,786	4,996,833	2,001,956	0
U.S. agency securities	121,397,500	194,432,446	0	6,482,328
U.S. treasury securities	158,665,511	103,480,607	0	0
Total	\$ <u>342,900,186</u>	<u>302,909,886</u>	<u>18,246,720</u>	<u>37,004,673</u>

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, 2025, 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 investment. 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, 2025, 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

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, 2025, are as follows:

<u>Fund description</u>	<u>Interest</u>	<u>Taxes</u>	<u>Accounts</u>	<u>Assessments</u>	<u>Loans and notes</u>	<u>Leases</u>	<u>Total gross receivables</u>	Less	<u>Total net receivables</u>
								<u>Allowance for uncollectibles</u>	
General	\$ 873,789	5,306,794	3,194,642	0	0	88,315	9,463,540	(74,716)	9,388,824
Community Development	34,542	0	469,743	0	12,737,935	0	13,242,220	(26,743)	13,215,477
Systems Development Capital	0	0	1,333,856	0	0	0	1,333,856	0	1,333,856
Ambulance Transport	0	0	8,824,611	0	0	0	8,824,611	(762,034)	8,062,577
Municipal Airport	0	0	2,811,963	0	0	2,300,684	5,112,647	(152,870)	4,959,777
Parking Services	0	0	720,545	0	0	1,414,312	2,134,857	(334,557)	1,800,300
Stormwater Utility	0	0	3,578,957	0	0	1,661	3,580,618	(13,658)	3,566,960
Wastewater Utility	0	0	2,026,505	0	51,774	2,345	2,080,624	(6,827)	2,073,797
Internal service funds	0	0	695,285	0	0	22,561	717,846	(16,921)	700,925
Other governmental funds	185,162	1,159,586	6,843,969	74,915	2,525,130	70,691	10,859,453	(18,699)	10,840,754
	<u>\$ 1,093,493</u>	<u>6,466,380</u>	<u>30,500,076</u>	<u>74,915</u>	<u>15,314,839</u>	<u>3,900,569</u>	<u>57,350,272</u>	<u>(1,407,025)</u>	<u>55,943,247</u>
Government-wide adjustment for uncollectibles									<u>(1,639,453)</u>
Receivables (net of allowance) Government-wide Statement of Net Position									<u>54,303,794</u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(C) Interfund Transfers

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: transfer of \$900k from the General Fund to the Ambulance Fund, \$300k from the Community Safety PR Tax Fund to the Ambulance Fund, \$2M from the City Hall Complex Fund to the General Fund and \$250k from the Solid Waste Fund to the General Fund.

<u>Fund description</u>	General	Internal Services	Airport	Ambulance	Stormwater	Syst Dev Capital	Wastewater	Other governmental funds	Gen Capital	Total transfers in
General	\$ 0	0	0	0	3,550	0	0	250,000	2,080,000	2,333,550
General Capital	0	153,000	0	0	0	150,000	67,000	0	0	370,000
Ambulance Transport	900,000	0	0	0	0	0	0	300,000	0	1,200,000
Parking	0	0	0	0	0	0	0	0	0	0
Wastewater Utility	0	0	0	0	0	0	0	0	0	0
Stormwater Utility	0	0	0	0	0	0	0	0	0	0
Internal service funds	18,492	70,226	1,064,372	143,631	12,269	0	239,369	0	0	1,548,359
Other governmental funds	0	0	0	0	0	0	0	5,072,559	0	5,072,559
Total transfers out	\$ <u>918,492</u>	<u>223,226</u>	<u>1,064,372</u>	<u>143,631</u>	<u>15,819</u>	<u>150,000</u>	<u>306,369</u>	<u>5,622,559</u>	<u>2,080,000</u>	<u>10,524,468</u>

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, 2025, are presented below:

<u>Fund description</u>	<u>State</u>	<u>Federal</u>	<u>County</u>	Eugene Water and Electric <u>Board</u>	<u>MWMC</u>	<u>Other</u>	<u>Total</u>
General	\$ 2,520,483	958,187	858,572	1,144,316	0	787,248	6,268,806
Community Development	0	222,678	1,409	0	0	0	224,087
Ambulance Transport	360,394	0	200,082	0	0	29,079	589,555
Municipal Airport	177,965	1,132,777	0	0	0	1,175	1,311,917
Parking Services	191,407	0	0	0	0	0	191,407
Stormwater Utility	2,598,469	0	35,827	0	0	401	2,634,697
Wastewater Utility	276,707	0	0	0	4,773,291	114,918	5,164,916
Internal service funds	89,487	0	0	225	0	126,729	216,441
General Capital Grants	5,254,428	8,192	0	0	0	0	5,262,620
Other governmental funds	3,684,208	664,193	120,699	37,715	0	227,115	4,733,930
Total due from other governments -							
Government-wide Statement of Net Position	\$ 15,153,548	2,986,027	1,216,589	1,182,256	4,773,291	1,286,665	26,598,376

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, 2025 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	\$ 90,266,791	4,289,814	(2,084,091)	92,472,515
Construction in progress	51,870,734	34,950,254	(5,943,843)	80,877,145
Total capital assets, not being depreciated	142,137,525	39,240,068	(8,027,933)	173,349,660
Capital assets, being depreciated:				
Buildings and equipment	330,048,599	12,473,252	(2,524,194)	339,997,658
Improvements other than buildings	136,392,541	7,933,234	0	144,325,775
Infrastructure	545,616,510	7,502,549	0	553,119,059
Intangible software	9,302,707	0	0	9,302,707
Intangible leases	9,926,024	869,602	(587,725)	10,207,901
Intangible subscription	6,141,304	2,150,474	0	8,291,778
Total capital assets being depreciated	1,037,427,685	30,929,111	(3,111,919)	1,065,244,878
Less accumulated depreciation/amortization for:				
Buildings and equipment	(160,324,070)	(10,712,933)	2,417,128	(168,619,875)
Improvements other than buildings	(86,097,715)	(4,955,078)	0	(91,052,793)
Infrastructure	(297,262,939)	(16,185,389)	0	(313,448,328)
Intangible software	(9,302,708)	0	0	(9,302,708)
Intangible leases	(3,088,281)	(1,148,224)	587,725	(3,648,780)
Intangible subscription	(3,051,440)	(2,043,161)	0	(5,094,601)
Total accumulated depreciation/amortization	(559,127,153)	(35,044,785)	3,004,853	(591,167,085)
Total capital assets, being depreciated, net	478,300,532	(4,115,674)	(107,066)	474,077,793
Governmental activities capital assets, net	\$ 620,438,057	35,124,394	(8,134,999)	647,427,452

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(E) Capital Assets, continued

<u>Business-type activities:</u>	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balance</u>
Capital assets, not being depreciated:				
Land	\$ 17,171,732	0	0	17,171,732
Construction in progress	12,096,490	19,639,848	(411,106)	31,325,232
Total capital assets, not being depreciated	29,268,222	19,639,848	(411,106)	48,496,964
Capital assets, being depreciated:				
Buildings and equipment	124,307,995	195,384	(27,907)	124,475,472
Improvements other than buildings	198,473,861	7,306,499	0	205,780,360
Intangible leases	1,644,350	0	0	1,644,350
Intangible subscription	184,531	100,585	(34,641)	250,475
Storm sewers	97,518,338	10,322,982	0	107,841,320
Trunk sewers	186,794,227	1,369,489	0	188,163,716
Total capital assets being depreciated	608,923,302	19,294,939	(62,548)	628,155,693
Less accumulated depreciation/amortization for:				
Buildings and equipment	(57,020,858)	(3,015,563)	27,907	(60,008,514)
Improvements other than buildings	(108,387,995)	(7,628,796)	0	(116,016,791)
Intangible leases	(82,217)	(164,436)	0	(246,653)
Intangible subscription	(121,394)	(83,060)	34,641	(169,813)
Storm sewers	(38,964,392)	(2,499,688)	0	(41,464,080)
Trunk sewers	(113,977,557)	(4,220,427)	0	(118,197,984)
Total accumulated depreciation/amortization	(318,554,413)	(17,611,970)	62,548	(336,103,835)
Total capital assets, being depreciated, net	290,368,889	1,682,969	0	292,051,858
Business-type activities capital assets, net	\$ 319,637,110	21,322,817	(411,106)	340,548,821

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(E) Capital Assets, continued

Depreciation/amortization expense was charged to functions/programs as follows:

Governmental activities:

Central services	\$	1,340,079
Fire and emergency medical services		1,136,799
Library, recreation, and cultural services		4,191,940
Planning and development		1,248,715
Police		1,797,614
Public works		19,937,741
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets		<u>5,391,897</u>
	\$	<u><u>35,044,785</u></u>

Business-type activities:

Ambulance Transport	\$	91,176
Municipal Airport		9,425,078
Parking Services		718,878
Stormwater Utility		2,865,698
Wastewater Utility		<u>4,511,087</u>
	\$	<u><u>17,611,917</u></u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(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, 2025 consist of the following:

<u>Fund by type</u>	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Property taxes receivable:			
General	\$ 6,180,584	0	6,180,584
Other governmental funds	1,344,747	0	1,344,747
Assessments receivable:			
Other governmental funds	74,914	0	74,914
Systems development charges receivable:			
Systems Development Capital	988,413	0	988,413
Notes receivable:			
Community Development	12,699,948	0	12,699,948
Other governmental funds	2,497,160	0	2,497,160
Other:			
General	675,898	7,187,669	7,863,567
Community Development	0	215,662	215,662
Municipal Airport	0	224,129	224,129
Parking Services	0	0	0
Stormwater Utility	0	1,144,234	1,144,234
Wastewater	0	0	0
Internal service	0	0	0
Ambulance		956	956
Other governmental funds	1,807	128,168	129,975
Total unavailable/unearned revenue	\$ 24,463,471	8,900,818	33,364,289

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(G) Noncurrent LiabilitiesDirect 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 2022)

On November 8, 2022, Eugene voters approved a fourth street repair bond measure. The \$61.2 million, five-year bond proceeds will be utilized to fund specific improvements such as repairs to 42 street projects covering 44.6 lane miles of roads throughout the city and \$15 million for walking, biking and safety improvement projects to include bike lanes, crosswalks, off-street paths, pedestrian bridges and street tree projects. As of June 30, 2025, the City had \$49,900,000 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, 2029 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, 2025, the City had a \$0 balance on the credit facility and an unused line of credit amount of \$5,000,000.

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 <u>balance</u>	<u>Increase</u>	<u>Decrease</u>	Ending <u>balance</u>
<u>Governmental activities</u>				
G.O. bond and revolving credit				
facility (Streets 2022)	\$ <u>800,000</u>	<u>10,500,000</u>	<u>(11,300,000)</u>	<u>-</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, 2025, the City had 98.0% 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, 2025, the City had \$0 in authorized but unissued borrowing remaining. The outstanding bonds for GO refunding bonds, and Series 2016, and GO bonds, Series 2019A, Series 2019B, 2023A and 2023B carry an event of default clause which allows the lender to exercise any remedy available at law or in equity, with the exception of acceleration.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(H) Noncurrent Liabilities, continuedGeneral Obligation (G.O.) Bonds, continued

<u>Governmental activities</u>	<u>Original issuance</u>	<u>Interest rates (%)</u>	<u>Ending balance</u>
General obligation bonds serviced by general property taxes:			
General Obligation and Refunding Bonds, Series 2016	10,125,000	2.000% to 5.000%	400,000
General Obligation, Series 2019A (tax-exempt)	19,180,000	3.000% to 5.000%	19,180,000
General Obligation, Series 2023A (tax-exempt)	5,405,000	5.000%	5,405,000
General Obligation, Series 2023B (taxable)	7,045,000	4.00% to 5.00%	5,840,000
Total general obligation bonds	\$ 41,755,000		30,825,000

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

	<u>Governmental activities</u>	
<u>Fiscal year ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2026	2,495,000	1,097,431
2027	2,100,000	946,481
2028	2,110,000	876,881
2029	2,105,000	807,431
2030	2,105,000	737,981
2031-2035	10,080,000	3,026,486
2036-2040	7,350,000	1,356,502
2041-2043	2,480,000	279,000
	\$ 30,825,000	9,128,193

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. The outstanding limited tax improvement bonds carry an event of default and remedies clause which permits the Bank of America increase the interest rate by three percent above the stated rate of the bonds until such time that the default is remedied. 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. The outstanding limited tax pension bonds and limited tax Downtown Riverfront bonds carry an event of default clause which allows the lender to exercise any remedy available at law or in equity, with the exception of acceleration. 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.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(H) Noncurrent Liabilities, continuedLimited Tax Bonds, continued

<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%	19,152,925
Limited Tax Downtown Riverfront Bonds, Series 2020	<u>12,000,000</u>	1.840%	<u>6,268,000</u>
Total limited tax bonds governmental activities	<u>\$ 82,193,281</u>		<u>25,420,925</u>
<u>Business-type activities</u>			
Limited tax bonds:			
Limited Tax Pension Bonds, Series 2002	\$ <u>14,721,179</u>	2.000% to 7.410%	<u>4,032,074</u>
Total limited tax bonds business-type activities	<u>14,721,179</u>		<u>4,032,074</u>
Total limited tax bonds	<u>\$ 96,914,460</u>		<u>29,452,999</u>

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

Fiscal year ending June 30	<u>Governmental activities</u>	
	<u>Principal</u>	<u>Interest</u>
2026	1,208,000	115,331
2027	1,231,000	93,104
2028	1,253,000	70,454
2029	1,276,000	47,398
2030	<u>1,300,000</u>	<u>23,920</u>
Riverfront bonds	\$ <u>6,268,000</u>	<u>350,207</u>

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

Fiscal year ending June 30	<u>Governmental activities</u>		<u>Business-type activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2026	7,104,385	1,311,975	1,851,226	276,197
2027	7,967,650	825,325	1,321,739	173,748
2028	<u>4,080,891</u>	<u>279,541</u>	<u>859,109</u>	<u>58,849</u>
Pension bonds	\$ <u>19,152,926</u>	<u>2,416,841</u>	<u>4,032,074</u>	<u>508,794</u>
Total limited tax bonds	<u>\$ 25,420,926</u>	<u>2,767,048</u>	<u>4,032,074</u>	<u>508,794</u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(H) Noncurrent Liabilities, continuedNotes and Contracts Payable

On June 28, 2023, the City of Eugene borrowed \$4,000,000 from Eugene Water & Electric Board with regard to the purchase of the new City Hall building located at 500 and 502 East 4th Ave, Eugene. This note will accrue 4% per annum. No monthly payments are due until the note is due in full. During the year ended June 30, 2025, \$2,080,000 including \$160,000 of interest expense was repaid. All remaining principal and accrued interest was subsequently paid on July 1, 2025.

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.

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 had rates ranging from 0.28% to 3.15%, maturing on August 1, 2027.

Advance refunding - Notes Payable

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 had rates ranging from 0.28% to 3.50%, maturing on August 1, 2030.

Compensated Absences, Net Pension, and Total OPEB Liability

On June 30, 2025, the City reported compensated absences, net pension liability and total OPEB liability of \$20,382,769, \$245,750,764, and \$14,466,872, respectively in governmental activities and \$4,253,564, \$58,169,987, \$3,356,925 in business type activities, respectively. 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, 2025, internal service fund debt included Limited Tax Pension Bonds of \$6,739,228, a net pension liability of \$27,602,481, a total OPEB liability of \$5,858,109, and \$2,660,213 in compensated absences.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(H) Noncurrent Liabilities, continuedChanges in Noncurrent Liabilities

Noncurrent liability activity for the year ended June 30, 2025 was as follows:

	Beginning balance	Additions	Reductions	Ending balance	Due within one year	Due after one year
<u>Governmental activities</u>						
-						
General obligation bonds	\$ 33,310,000	0	(2,485,000)	30,825,000	2,495,000	28,330,000
Limited tax bonds	26,607,926	0	(1,187,000)	25,420,926	8,312,384	17,108,542
Bond premium	2,066,800	0	(265,625)	1,801,175	237,457	1,563,718
Total bonds payable	<u>61,984,726</u>	<u>0</u>	<u>(3,937,625)</u>	<u>58,047,101</u>	<u>11,044,841</u>	<u>47,002,260</u>
General obligation bond and revolving credit facility	800,000	10,500,000	(11,300,000)	0	0	0
Compensated absences payable	15,659,690	22,911,929	(18,188,850)	20,382,769	19,676,601	706,168
Notes and contracts payable	2,080,000	0	0	2,080,000	2,080,000	0
Lease liability	6,879,160	869,604	(1,070,390)	6,678,374	1,022,624	5,655,750
Subscription liability	1,489,780	1,961,182	(2,410,656)	1,040,306	639,503	400,803
Net Pension liability	223,820,583	21,930,181	0	245,750,764	0	245,750,764
Total OPEB liability	<u>15,540,826</u>	<u>0</u>	<u>(1,073,954)</u>	<u>14,466,872</u>	<u>695,303</u>	<u>13,771,569</u>
Governmental activities - noncurrent liabilities	\$ <u>328,254,765</u>	<u>58,172,896</u>	<u>(37,981,475)</u>	<u>348,446,186</u>	<u>35,158,872</u>	<u>313,287,314</u>
<u>Business-type activities</u>						
Limited tax bonds	\$ 4,032,074	0	0	4,032,074	1,851,226	2,180,848
Total bonds payable	<u>4,032,074</u>	<u>0</u>	<u>0</u>	<u>4,032,074</u>	<u>1,851,226</u>	<u>2,180,848</u>
Compensated absences payable	3,669,433	4,853,061	(4,268,930)	4,253,564	4,105,650	147,914
Lease liability	1,579,225	0	(128,495)	1,450,730	136,496	1,314,234
Subscription liability	66,726	100,586	(81,455)	85,857	50,321	35,536
Net Pension liability	52,616,804	5,553,183	0	58,169,987	0	58,169,987
Total OPEB liability	<u>3,690,932</u>	<u>0</u>	<u>(334,007)</u>	<u>3,356,925</u>	<u>216,240</u>	<u>3,140,685</u>
Business-type activities - noncurrent liabilities	\$ <u>65,655,194</u>	<u>10,506,830</u>	<u>(4,812,887)</u>	<u>71,349,137</u>	<u>6,359,933</u>	<u>64,989,204</u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(I) Leases

As of June 30, 2025, the City has a total of 38 qualified leases under GASB Statement No. 87 as the lessee for buildings, land, equipment and telecommunications. Out of these, ten of the leases are related to buildings, 29 of the leases are related to equipment, three are related to telecommunications and open space.

The City is the lessee for ten lease agreements related to buildings for various functions such as office space and storage facilities. The periods cover various ranges and the latest expiring on December 31, 2033. Interest rates range from 0.727 % to 2.332%. Annual payments for the current year range from \$8,597 to \$437,362

The City is the lessee for 29 lease agreements related to equipment for MFD copiers. The periods cover various ranges and the latest expiring on April 24, 2030. Interest rates range from 0.727% to 3.305%. Annual payments for the current year range from \$132 to \$32,005.

The City is the lessee for three lease agreements related to open space and a telecommunication tower. The periods cover various ranges and the latest expiring on June 30, 2026. Interest rates range from 0.727% to 2.363%. Annual payments for the current year range from \$0 to \$194,219.

Amount of Lease Assets by Major Classes of Underlying for the year ended June 30, 2025 are as follows:

Asset Class	Lease Asset Value	Accumulated Amortization
Buildings	10,384,068	2,966,457
Equipment	574,903	230,009
Other	893,281	698,968
Total Leases	11,852,252	3,895,434

Lessee Principal and Interest Requirements to Maturity:

Governmental activities				Business-type activities			
Fiscal year ending June 30	Principal	Interest	Total payments	Fiscal year ending June 30	Principal	Interest	Total payments
2026	1,022,624	101,506	1,124,130	2026	136,496	32,392	168,888
2027	769,590	86,323	855,913	2027	144,835	29,121	173,956
2028	766,028	73,577	839,605	2028	153,527	25,652	179,179
2029	741,974	61,099	803,073	2029	162,582	21,976	184,558
2030	711,132	48,986	762,148	2030	172,013	18,084	190,097
2031 - 2034	2,667,026	78,684	2,745,710	2031 - 2034	681,278	29,331	710,609

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(l) Leases, continued

As of June 30, 2025, the City has a total of 49 qualified leases under GASB Statement No. 87 as the lessor for buildings, land, and telecommunications. Out of these, 45 of the leases are related to buildings and four of the leases are related to telecommunications and open space.

The City is the lessor for 45 lease agreements related to buildings for various functions such as office space, airport car rental, storage facilities, etc. The periods cover various ranges and the latest expiring on December 31, 2030. Interest rates range from 0.3870% to 4.3451%. Annual payments for the current year range from \$140 to \$335,788.

The City is the lessor for four lease agreements related to telecommunication and open space. The periods cover various ranges and the latest expiring on April 30, 2026. Interest rates range from 1.1300% to 1.3400%. Annual payments for the current year range from \$2,644 to \$79,138.

Lease related deferred inflow of resources and lease receivable activity for the year ended June 30, 2025 is as follows:

	Deferred Inflow				Lease Receivable			
	Beginning balance	FY25 additions	FY25 reductions	Ending balance	Beginning balance	FY25 additions	FY25 reductions	Ending balance
Governmental activities								
Buildings	142,399	0	(50,203)	92,196	145,414	0	(49,700)	95,714
Other	118,290	0	(86,826)	31,464	171,009	0	(85,156)	85,853
Total governmental activities	260,689	0	(137,029)	123,660	316,423	0	(134,856)	181,567
Business-type activities								
Buildings	3,547,415	2,126,601	(2,040,073)	3,633,943	3,602,827	2,126,601	(2,014,432)	3,714,996
Other	16,737	0	(12,967)	3,770	15,935	0	(11,929)	4,006
Total business-type activities	3,564,152	2,126,601	(2,053,040)	3,637,713	3,618,762	2,126,601	(2,026,361)	3,719,002
Grand total	3,824,841	2,126,601	(2,190,069)	3,761,373	3,935,185	2,126,601	(2,161,217)	3,900,569

Lessor Principal and Interest Requirements to Maturity:

Governmental activities				Business-type activities			
Fiscal year ending June 30	Principal	Interest	Total payments	Fiscal year ending June 30	Principal	Interest	Total payments
2026	132,412	3,156	135,568	2026	1,878,186	69,516	1,947,702
2027	21,378	1,422	22,800	2027	467,056	52,205	519,261
2028	22,126	674	22,800	2028	415,435	38,659	454,094
2029	5,651	49	5,700	2029	387,824	25,781	413,605
				2030	402,134	13,113	415,247
				2031 - 2034	168,367	7,235	175,602

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(4) Detailed Notes on All Funds, continued(I) Leases, continued

The City is lessor for the following regulated leases at the Municipal Airport:

Airport Hangar leases: During the fiscal year, the City is the lessor for approximately 69 commercial and non-commercial hangar leases at the Eugene Airport. These hangar leases are subject to exclusive use by counterparties under the agreements. The lease terms are usually for ten years and have an option to extend for an additional ten years. The lessees are required to make annual fixed principal and interest payments ranging from \$1,172 to \$41,968 based on the square footage leased. The City recognized rent revenue of \$534,744 during FY25.

Airline leases: During the fiscal year, the City is the lessor for seven airlines for renting terminal spaces. The leases are subject to exclusive use by counterparties under the agreements. The lease terms are currently month to month. The lessees are required to make monthly fixed principal and interest payments ranging \$1,490 to \$11,030 based on the square footage leased. The City recognized rent revenue of \$557,020 during FY25.

Air Cargo leases: During the fiscal year, the City has lease agreements as the lessor with United Parcel Service, Federal Express Corporation, and Lawrence Air Service Enterprises, Inc. for the spaces in air cargo building. The leases are subject to exclusive use by counterparties under the agreements. The lease terms are for five years and have an option to extend for an additional five years. The lessees are required to make monthly fixed principal and interest payments of \$928 based on the square footage leased. The City recognized rent revenue of \$25,334 during FY25.

TSA lease: During the fiscal year, the City has a lease agreement as the lessor with Transportation Security Administration for the Modular unit and Terminal suites on 1st and 2nd floor at the Eugene Airport. The lease term is subject to exclusive use by TSA under the agreement. The term is from October 1, 2017 to September 30, 2027 and has the option to extend for an additional five years. The lessee is required to make monthly fixed principal and interest payment of \$20,519. The City recognized rent revenue of \$246,231 during FY25.

The future minimum lease payments for regulated leases are as follows:

Fiscal year ending June 30	Future minimum expected receipts
2026	594,601
2027	571,192
2028	255,470
2029	224,355
2030	175,378
2031-2034	1,110,875

(J) Subscriptions

As of June 30, 2025, the City has total of 24 subscriptions that are subjected to GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The periods cover various ranges and the latest expiring on July 31, 2029. Interest rates range from 2.0237% to 3.7110%. Annual payments for the current year range from \$4,200 to \$855,929. Subscription right to use assets and related amortization are included as intangibles in capital assets.

Subscription Principal and Interest Requirements to Maturity:

Governmental activities				Business-type activities			
Fiscal year ending June 30	Principal	Interest	Total payments	Fiscal year ending June 30	Principal	Interest	Total payments
2026	639,503	32,691	672,194	2026	50,321	2,751	53,072
2027	327,941	14,785	342,727	2027	35,536	1,319	36,855
2028	35,782	2,643	38,425				
2029	37,080	1,345	38,425				

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 \$1,000,000 per occurrence for automobile liability, general liability, and \$100,000 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, or the City Managed Care Plan. A third self-insured medical plan, the City Hybrid Plan, is available to AFSCME-, IATSE- and Non-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's health plans, up to the self-insurance retention limit of \$300,000 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, 2025, a total claims liability of \$17,842,541 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
2024	15,045,999	40,119,037	(36,418,530)	18,746,506
2025	18,746,506	34,929,610	(37,082,116)	16,594,000

(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, 2025, the City provided billable operations to MWMC costing \$25,282,053 and MWMC owed the City \$4,773,291 for unreimbursed costs at year-end. MWMC's most recently published financial statement was for the year ended June 30, 2025, which reflected net income of \$11,952,255 and net position of \$232,240,920. 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 Annual Comprehensive Financial Report and Actuarial Valuation that can be obtained at: <https://www.oregon.gov/pers/EMP/Pages/GASB.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. Members may select from 13 retirement benefit options that are actuarially equivalent to the base benefit. 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 a greater benefit results.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary will be limited for all members beginning in 2021. The limit was equal to \$232,976 as of January 1, 2024 and it is indexed with inflation every year.

Police and Fire members may purchase increased benefits that are payable between the date of retirement and age 65.

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.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued(C) Retirement Plan – Oregon PERS (OPERS), continuedDeath 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.

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 their Variable Account after retiring and may experience annual benefit fluctuations caused by changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living adjustments (COLA), starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2.0%.

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.

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.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2020. The limit was equal to \$232,976 as of January 1, 2024, and is indexed with inflation every year.

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, or, if the pension program is terminated, the date on which termination becomes effective.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued(C) Retirement Plan – Oregon PERS (OPERS), continuedDeath 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. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached the age of their federally required minimum distribution.

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, starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2.0%.

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, 2021 actuarial valuation which became effective July 1, 2023. The rates in effect for the fiscal year ended June 30, 2025 were 33.14% for Tier One/Tier Two covered members, 28.31% for OPSRP Pension Program General Service Members, and 33.58% for OPSRP Pension Program Police and Fire Members. The City also charged an internal rate of 5.50% 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, 2025 were \$41,316,180.

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

At June 30, 2025, the City reported (\$303,920,751) for its proportionate share of the net pension asset (liability). The net pension asset (liability) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension asset (liability) was determined by an actuarial valuation as of December 31, 2022 rolled forward to June 30, 2024. 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, 2024, the City's proportion was 1.3673%, which was a decrease from its proportion measured on June 30, 2023.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued(C) Retirement Plan – Oregon PERS (OPERS), continuedPension Assets, Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions, continued

For the year ended June 30, 2025, the City recognized pension expense (income) of \$50,665,653. At June 30, 2025, 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>
Differences between employer contributions and employer's proportionate share of system contributions	\$ 4,740,176	15,040,733
Changes of assumptions or other inputs	30,556,291	39,147
Changes in proportionate share	10,670,892	14,229,745
Difference between expected and actual experience with regard to economic or demographic factors	18,004,493	725,359
Net difference between projected and actual earnings on pension plan investments	19,307,466	0
Contributions subsequent to the measurement date	41,316,180	0
	<u>\$ 124,595,498</u>	<u>30,034,984</u>

The \$41,316,180 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 asset (liability) in the year ending June 30, 2026. 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</u> <u>30</u>	Deferred outflows and (inflows) <u>of resources</u>
2026	\$ (631,615)
2027	31,831,979
2028	14,347,422
2029	6,514,281
2030	1,182,267
	<u>\$ 53,244,334</u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued(C) Retirement Plan – Oregon PERS (OPERS), continuedActuarial Valuations

The employer contribution rates effective July 1, 2023 through June 30, 2025, 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, 2022 actuarial valuation was determined using the following:

Valuation Date:	December 31, 2022
Measurement Date:	June 30, 2024
Experience Study Report:	2022, published July 24, 2023

Actuarial assumptions

Actuarial cost method	Entry Age Normal
Inflation rate	2.40%
L-T expected rate of return	6.90%
Discount Rate	6.90%
Projected salary increases	3.40%
Cost of living adjustments	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service.

Retiree healthcare participation	8-14 Years of Service: 10.0%
	15-19 Years of Service: 11.0%
	20-24 years of Service: 12.0%
	25-29 Years of Service: 20.0%
	30+ Years of Service: 25.0%

Healthcare cost trend rate	Applied at beginning of plan year, starting with 6.6% for 2023, increasing to 7.0% for 2024, decreasing to 4.2% for 2032, increasing to 4.3% for 2055, and decreasing to an ultimate rate of 3.8% for 2074 and beyond.
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Mortality:

Healthy retirees and beneficiaries:

Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Active members:

Pub-2010 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Disabled retirees:

Pub-2010 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued(C) Retirement Plan – Oregon PERS (OPERS), continuedActuarial Valuations, continued

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 2022 Experience Study, which reviewed experience for the four-year period ending on December 31, 2022.

GASB Statement No. 68 reporting requirements allows for the measurement date (June 30, 2024) to be 12 months prior to the reporting date (June 30, 2025) and the actuarial valuation date (December 31, 2022) to be 30 months prior to the reporting date. The new pension asset (liability) for the June 30, 2025 reporting data will be based on the December 31, 2023 actuarial valuation date.

Discount Rate

The discount rate used to measure the total pension liability was 6.90% 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 January 2023 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	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			<u>100.0%</u>

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued(C) Retirement Plan – Oregon PERS (OPERS), continuedLong-Term Expected Rate of Return, continued

<u>Asset class</u>	<u>Target</u>	20-Year Annualized Geometric
		<u>Mean</u>
Global Equity	27.50%	7.07%
Private equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
Assumed inflation – mean		2.35%

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.
- 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.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued(C) Retirement Plan – Oregon PERS (OPERS), continuedDepletion Date Projection, continued

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 6.9%, 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 (5.9%) or 1 percentage-point higher (7.9%) than the current rate:

	1% decrease (5.9%)	Current discount rate (6.9%)	1% increase (7.9%)
City's proportionate share of the net pension asset (liability)	\$ (479,422,637)	(303,920,751)	(156,929,342)

Pension plan fiduciary net position

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

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.

(D) Retirement Plan – OPSRP IAPPlan 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. The accounts fall under Internal Revenue Code Section 414(k).

Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer-funded 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. Installment amounts vary with market returns as the account remains invested while in distribution. When chosen, the distribution option must result in a \$200 minimum distribution amount, or the frequency of the installments will be adjusted to reach that minimum.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued(D) Retirement Plan – OPSRP IAP, continuedDeath 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, 2025, the City's contributions and IAFF covered employees' contributions to the IAP were \$7,794,935 and \$1,662,795 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 Annual Comprehensive Financial Report and Actuarial Valuation that can be obtained at:

<https://www.oregon.gov/pers/Pages/financials/actuarial-financial-information.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), continuedContributions

Employer contribution rates during the period were based on the December 31, 2022 actuarial valuation which became effective July 1, 2023. The rates in effect for the fiscal year ended June 30, 2024 were 0.04% of PERS-covered salaries for Tier One and Tier Two members to fund the normal cost portion of RHIA benefits. A (0.04)% UAL rate was assigned for the RHIA program as it was funded over 100% as of December 31, 2021. Consequently, PERS employers had an effective contribution rate of 0.00% for the RHIA program. Typically, PERS employers contribute an actuarially determined percent 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 10 years. These rates were based on the December 31, 2021, actuarial valuation. Employer contributions for the year ended June 30, 2025 were \$(8).

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. The number of inactive plan RHIA participants receiving benefits was 39,325 for the fiscal year ended June 30, 2025, and there were 31,243 active and 11,133 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, 2025, the City reported \$3,950,532 or its proportionate share of the OPEB asset. The OPEB asset was measured as of June 30, 2024, and the total OPEB asset used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to June 30, 2024. The City's proportion of the OPEB asset 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, 2024, the City's proportion was 0.9781%, which was a decrease from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the City recognized OPEB expense (income) of (\$407,740). At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of <u>resources</u>	Deferred inflows of <u>resources</u>
Changes of assumptions	\$ -	49,970
Changes in proportionate share	108,633	3,861
Difference between expected and actual experience	-	77,266
Net difference between projected and actual earnings on investments	111,543	-
Contributions subsequent to the measurement date	(8)	-
	<u>\$ 220,168</u>	<u>131,097</u>

The \$(8) reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as an increase of the total OPEB liability in the year ending June 30, 2026. 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), continuedOPEB Assets, Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB, continued

<u>Fiscal year</u> <u>ending June 30</u>		<u>Deferred outflows</u> <u>and (inflows)</u> <u>of resources</u>
2026	\$	(129,038)
2027		144,895
2028		60,346
2029		12,877
	\$	<u>89,080</u>

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, 2024) to be 12 months prior to the reporting date (June 30, 2025) and the actuarial valuation date (December 31, 2022) to be 30 months prior to the reporting date. The new OPEB liability for the June 30, 2025 reporting data will be based on the December 31, 2023 actuarial valuation date.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.9%. 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 asset values. GASB 75 (paragraph 39) 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), continuedDepletion Date Projection, continued

The following circumstances justify an alternative evaluation of sufficiency for OPEB Plan:

- 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 the third-party 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 to changes in the discount rate

The following presents the City's proportionate share of the OPEB asset calculated using the discount rate of 6.9%, as well as what the City's proportionate share of the OPEB asset would be if it were calculated using a discount rate that is 1 percentage-point lower (5.9%) or 1 percentage-point higher (7.9%) than the current rate:

	1% decrease (5.9%)	Current discount rate (6.9%)	1% increase (7.9%)
City's proportionate share of the net OPEB asset	\$ 3,656,991	3,950,532	4,203,277

OPEB plan fiduciary net position

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

(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.

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), continuedPlan Description, continued

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, 2025, the City's combined plan contributions were \$911,535. As of July 1, 2024 actuarial valuation report, there were 1,595 active and 110 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, 2025, the City reported a \$17,823,797 OPEB liability. The OPEB liability was measured as of June 30, 2024, and the OPEB liability was determined by an actuarial valuation as of July 1, 2024. For the year ended June 30, 2025, the City recognized OPEB expense (income) of \$2,131,659.

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

At June 30, 2025, 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	\$ 1,007,656	3,831,340
Differences between expected and actual experience	729,433	2,398,017
Contributions subsequent to the measurement date	911,535	0
	<u>\$ 2,648,624</u>	<u>6,229,357</u>

The \$911,535, 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 OPEB liability in the year ending June 30, 2026. 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
2026	\$ (515,250)
2027	(642,099)
2028	(732,569)
2029	(732,563)
2030	(672,466)
Thereafter	(1,197,321)
	<u>\$ (4,492,268)</u>

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), continuedActuarial Valuations

The total OPEB liability in the July 1, 2024 actuarial valuation was determined using the following:

Valuation Date:	July 1, 2024
Measurement Date:	June 30, 2024
Actuarial cost method	Entry Age Normal, level percent of salary

Actuarial assumptions

Interest Rate for Discounting	4.00% per year, based on all years discounted at municipal bond rate (based on Bond Buyer 20-Bond General Obligation Index as of June 30th, 2024).
Future Liabilities:	
General Inflation:	2.5% per year.
Payroll Growth:	3.5% per year.
Salary Merit Scale:	Total payroll increase is overall payroll growth plus merit table below. Sample rates are as follows:

	General	Police &
Duration	Service	Fire
0	4.77%	6.12%
5	3.10%	3.38%
10	1.93%	1.91%
15	1.17%	1.30%
20	0.73%	1.18%
25	0.50%	1.15%
30 +	0.38%	0.80%

Annual Premium Increase Rate:	Healthcare rates decrease 0.7% annually from 7.7% from the year ended June 30, 2025 to 4.5% for those years ending beyond June 30, 2038.
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Mortality rates:	General Service active employees: PUB 2010 Employee Tables for General Employees, sex distinct, projected generationally, set back 12 months for males, no set back for females; 115% of published rates for males, 125% of published rates for females.
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Police & Fire active employees: PUB 2010 Employee Tables for Public Safety Employees, sex distinct, projected generationally; 125% of published rates for Active males, no adjustments for Retired males, set back 12 months for females.

Disabled rates:	As developed for the valuation of benefits under Oregon PERS. Sample rates are as follows:
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	General	Police &
Age	Service	Fire
	Rate	Rate
30	0.0132%	0.0288%
35	0.0202%	0.0441%
40	0.0325%	0.0711%
45	0.0534%	0.1166%
50	0.0923%	0.2016%

Participation:	100% of actives eligible for the City waiver of life insurance premiums for disabled employees benefit. Of the active employees currently enrolled in a medical plan, 50% are assumed to remain enrolled at retirement until Medicare eligibility.
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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), continuedActuarial Valuations, continued

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, 2024) to be 12 months prior to the reporting date (June 30, 2025) and the actuarial valuation date (July 1, 2024) to be 30 months prior to the reporting date.

Discount Rate

The discount rate used to measure the total OPEB liability was 4.00%, which is based on municipal bond rates.

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

The following presents the City's OPEB liability calculated using the discount rate of 4.00%, as well as what the City's OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (3.00%) or one percentage-point higher (5.00%) than the current rate:

		Current	
	1% decrease	discount rate	1% increase
	3.00%	4.00%	5.00%
City's proportionate share of the total OPEB liability	\$ 19,225,909	17,823,797	16,520,272

The following presents the City's OPEB liability calculated using the healthcare cost trend rate of 7.70% graded down to 4.50%, as well as what the City's OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage-point lower 6.70% or one percentage-point higher 8.70% than the current rate.

		Current	
	1% decrease	trend rate	1% increase
	6.70% graded	7.70% graded	8.70% graded
	down to 3.50%	down to 4.5%	down to 5.50%
City's proportionate share of the total OPEB liability	\$ 16,018,971	17,823,797	19,939,656

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), continuedChanges in OPEB Liability (RHLI)

Balance at 6/30/24	\$ 19,231,758
Changes for the year:	
Service cost	1,214,379
Interest	749,337
Differences between expected and actual experience	(1,499,364)
Changes of assumptions or other input	(944,657)
Benefit payments	(927,656)
Net changes	(1,407,961)
Balance at 6/30/25	\$ 17,823,797
Estimated covered payroll	\$ 143,003,400
Total OPEB Liability as a percentage of covered payroll	12.46%

Aggregate OPEB Expense

At June 30, 2025, the City reported OPEB expense of \$2,131,659 from the Retiree Health and Life Insurance Plan (RHLI) and income of \$407,740 from the Retirement Health Insurance Account (RHIA) for a net expense of \$1,723,919 which is included in program expense on the statement of activities (Exhibit 2).

(G) Deferred Compensation Plan

The City offers its employees a Deferred Compensation Plan created in accordance with the Internal Revenue Code Section 457(b). Participation in the 457(b) Plan is voluntary and available to all regular non-represented employees and represented employees performing services for the City. Participants are allowed to defer a portion of their current salary up to the IRS deferred limits.

If employees defer at least one percent into their deferred compensation account, the City contributes between one percent and three percent of employees' base salaries to the 457(b) Plan depending on their represented status. Deferred compensation is not available to participants until termination, retirement, death, or financial hardship. The Plan's participants have the right to designate how the funds are invested. The Plan's assets are held in trust for the exclusive benefit of the Plan's participants and their beneficiaries and are considered property of the Plan's participants, not subject to the City's general creditors. As a result, Plan balances and activities are not reflected in the City's financial statements and the City has no liability for losses under the Plan.

The City has contracted with Voya Financial to provide local service, education, investments, and administration services for the Plan participants. The City's Deferred Compensation Committee manages and monitors the Plan on behalf of participants.

(H) 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.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued(I) Outstanding Encumbrances

At June 30, 2025, the City has encumbered the following significant commitments:

<u>Fund</u>	<u>Amount</u>
General	\$ 3,467,675
Community Development	1,307,649
General Capital Projects	3,747,977
Systems Development Capital	2,379,074
Ambulance Transport	205,648
Municipal Airport	10,452,941
Parking Services	88,057
Stormwater Utility	3,591,790
Wastewater Utility	1,567,685
Internal service funds	4,235,052
Other governmental funds	<u>7,756,014</u>
Total outstanding encumbrances	<u>\$ 38,799,563</u>

(J) 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.

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.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued(J) Tax Abatements, continuedMulti-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.

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.

CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued(J) Tax Abatements, continuedWest 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, 2025, the property tax impacts from tax abatements are as follows:

Property Tax Impact	<u>LIRHPTE</u>	<u>MUPTE</u>	<u>West Eugene Enterprise Zone</u>
Revenue Loss	\$ 904,415	902,555	317,828
Revenue Shift	157,404	157,080	55,315

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.

REQUIRED SUPPLEMENTARY INFORMATION

Required Supplementary
Information

Required Supplementary Information

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
<u>Revenues</u>								
Taxes	297,327,000	297,327,000	146,282,768	151,354,045	297,636,813	(309,813)	0	151,354,045
Licenses and permits	12,749,200	12,999,200	7,094,946	6,188,037	13,282,983	(283,783)	0	6,188,037
Intergovernmental	14,594,577	30,565,266	13,474,079	13,854,328	27,328,407	3,236,859	0	13,854,328
Rental income	1,337,000	1,356,000	671,844	745,619	1,417,463	(61,463)	(411)	745,208
Charges for services	37,127,371	44,050,254	20,022,922	20,309,698	40,332,620	3,717,634	(241,339)	20,068,359
Fines and forfeits	2,989,000	2,989,000	1,669,162	1,670,727	3,339,889	(350,889)	0	1,670,727
Miscellaneous	13,162,000	11,925,824	5,760,336	5,669,501	11,429,837	495,987	390,894	6,060,395
Total revenues	379,286,148	401,212,544	194,976,057	199,791,955	394,768,012	6,444,532	149,144	199,941,099
<u>Expenditures</u>								
Current - departmental:								
Central services	55,917,237	58,585,953	26,213,364	28,925,953	55,139,317	3,446,636	(9,627,400)	19,298,553
Fire and emergency medical services	79,197,152	84,946,331	41,779,717	42,441,542	84,221,259	725,072	(152,021)	42,289,521
Library, recreation, and cultural services	80,875,634	86,798,180	41,844,281	41,857,704	83,701,985	3,096,195	271,857	42,129,561
Planning and development	24,063,238	43,057,170	16,283,142	18,615,941	34,899,083	8,158,087	254,588	18,870,529
Police	133,120,991	137,662,126	65,273,306	66,612,147	131,885,453	5,776,673	(292,565)	66,319,582
Public works	15,566,114	15,147,979	8,201,217	6,197,472	14,398,689	749,290	(74,397)	6,123,075
Debt service	0	0	0	0	0	0	850,339	850,339
Special payments	1,000,000	1,000,000	184,304	246,117	430,421	569,579	(241,339)	4,778
Total expenditures	389,740,366	427,197,739	199,779,331	204,896,876	404,676,207	22,521,532	(9,010,938)	195,885,938
Excess (deficiency) of revenues over expenditures								
	(10,454,218)	(25,985,195)	(4,803,274)	(5,104,921)	(9,908,195)	(16,077,000)	9,160,082	4,055,161
<u>Other financing sources (uses)</u>								
Issuance of debt	0	0	0	0	0	0	1,624,396	1,624,396
Transfers in	20,708,000	22,510,500	10,849,819	11,613,896	22,463,715	46,785	(9,280,348)	2,333,548
Transfers out	(12,502,000)	(16,402,000)	(15,458,493)	(918,492)	(16,376,985)	(25,015)	0	(918,492)
Total other financing sources (uses)	8,206,000	6,108,500	(4,608,674)	10,695,404	6,086,730	21,770	(7,655,952)	3,039,452
Net change in fund balance								
	(2,248,218)	(19,876,695)	(9,411,948)	5,590,483	(3,821,465)	(16,055,230)	1,504,130	7,094,613
Fund balance, beginning of year	52,801,073	68,773,980	68,773,980	59,362,032	68,773,980	9,411,948	505,560	59,867,592
Fund balance, end of year	50,552,855	48,897,285	59,362,032	64,952,515	64,952,515	(6,643,282)	2,009,690	66,962,205

Required Supplementary Information

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	
Revenues								
Intergovernmental	17,249,825	17,429,270	1,359,237	7,091,099	8,450,336	8,978,934	0	7,091,099
Charges for services	215,017	215,017	18,312	27,207	45,519	169,498	0	27,207
Repayment of revolving loans	0	0	0	0	0	0	723,273	723,273
Miscellaneous	1,098,148	1,098,148	642,432	865,298	1,507,730	(409,582)	13,564	878,862
Total revenues	18,562,990	18,742,435	2,019,981	7,983,604	10,003,585	8,738,850	736,837	8,720,441
Expenditures								
Current - departmental:								
Central services	0	0	0	0	0	0	159,996	159,996
Planning and development	9,400,685	8,269,043	2,238,311	2,586,461	4,824,772	3,444,271	5,682,441	8,268,902
Capital outlay	0	0	0	0	0	0	0	0
Special payments	14,497,657	15,142,391	955,829	5,682,441	6,638,270	8,504,121	(5,682,441)	0
Total expenditures	23,898,342	23,411,434	3,194,140	8,268,902	11,463,042	11,948,392	159,996	8,428,898
Excess (deficiency) of revenues over expenditures	(5,335,352)	(4,668,999)	(1,174,159)	(285,298)	(1,459,457)	(3,209,542)	576,841	291,543
Other financing sources (uses)								
Principal payments received	1,799,533	2,002,987	758,787	723,273	1,482,060	520,927	(723,273)	0
Transfers out	(320,000)	(320,000)	(159,996)	(159,996)	(319,992)	(8)	159,996	0
Total other financing sources (uses)	1,479,533	1,682,987	598,791	563,277	1,162,068	520,919	(563,277)	0
Net change in fund balance	(3,855,819)	(2,986,012)	(575,368)	277,979	(297,389)	(2,688,623)	13,564	291,543
Fund balance, beginning of year	3,984,019	3,171,443	3,171,443	2,596,075	3,171,443	575,368	(8,917)	2,587,158
Fund balance, end of year	128,200	185,431	2,596,075	2,874,054	2,874,054	(2,113,255)	4,647	2,878,701

CITY OF EUGENE, OREGON

Required Supplementary Information

June 30, 2025

(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.

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Proportion of the net pension asset (liability)	1.31%	1.34%	1.36%	1.32%	1.35%	1.32%	1.36%	1.47%	1.48%	1.37%
Proportionate share of the net pension asset (liability)	\$ (75,419,692)	(201,536,828)	(182,787,266)	(199,826,692)	(233,103,473)	(287,968,466)	(162,984,111)	(225,008,773)	(276,437,387)	(303,920,751)
Covered payroll	95,710,435	100,127,793	103,471,224	107,069,591	112,855,413	121,424,094	125,219,015	127,654,127	146,564,030	157,660,516
Proportionate share of the net pension asset (liability) as a percentage of its covered payroll	-78.80%	-201.28%	-176.66%	-186.63%	-206.55%	-237.16%	-130.16%	-176.26%	-188.61%	-192.77%
Plan fiduciary net position as a percentage of the total pension asset (liability)	91.90%	80.50%	83.10%	82.10%	80.20%	75.80%	87.60%	84.50%	81.70%	79.30%

Schedule of City Contributions

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 14,860,759	15,180,903	17,914,297	18,597,007	25,327,580	25,232,552	30,797,585	33,226,920	41,032,671	41,316,180
Contributions in relation to the contractually required contribution	(14,860,759)	(15,180,903)	(17,914,297)	(18,597,007)	(25,327,580)	(31,482,552)	(30,797,585)	(33,226,920)	(41,032,671)	(41,316,180)
Contribution deficiency (excesses)	\$ 0	0	0	0	0	(6,250,000)	0	0	0	0
Covered payroll	100,127,793	103,471,224	107,069,591	112,855,413	121,424,094	125,219,015	127,654,127	146,564,030	157,660,516	160,332,160
Contributions as a percentage of covered payroll	14.84%	14.67%	16.73%	16.48%	20.86%	20.15%	24.13%	22.67%	26.03%	25.77%

CITY OF EUGENE, OREGON

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	2021	2022	2023	2024	2025
Proportion of the net OPEB asset (liability)	1.05%	1.01%	1.02%	1.04%	0.67%	0.98%	1.03%	1.04%	0.98%
Proportionate share of the net OPEB asset (liability)	\$ (286,227)	422,740	1,140,586	2,014,695	1,369,024	3,360,733	3,649,598	3,795,860	3,950,532
Covered payroll	100,127,793	103,471,224	107,069,591	112,855,413	121,424,094	125,219,015	127,654,127	146,564,030	157,660,516
Proportionate share of the net OPEB asset (liability) as a percentage of its covered payroll	-0.29%	0.41%	1.07%	1.79%	1.13%	2.68%	2.86%	2.59%	2.51%
Plan fiduciary net position as a percentage of the total OPEB asset (liability)	94.25%	108.90%	108.90%	124.00%	144.40%	150.10%	183.90%	194.60%	201.60%
<u>Schedule of City Contributions</u>									
Contractually required contribution	\$ 307,063	494,750	516,738	47,980	26,185	25,315	20,429	2,791	(8)
Contributions in relation to the contractually required contributions	(307,063)	(494,750)	(516,738)	(47,980)	(26,185)	(25,315)	(20,429)	(2,791)	8
Contribution deficiency (excesses)	\$ 0	0	0	0	0	0	0	0	0
Covered payroll	103,471,224	107,069,591	112,855,413	121,424,094	125,219,015	127,654,127	146,564,030	157,660,516	160,332,160
Contributions as a percentage of covered payroll	0.30%	0.46%	0.46%	0.04%	0.02%	0.02%	0.01%	0.00%	0.00%

CITY OF EUGENE, OREGON

Required Supplementary Information

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

	2018	2019	2020	2021	2022	2023	2024	2025
Service cost	\$ (840,339)	(861,347)	(1,005,001)	(1,138,240)	(1,328,272)	(1,368,120)	(1,179,009)	(1,214,379)
Interest	(639,080)	(645,964)	(727,804)	(696,853)	(463,646)	(487,517)	(678,711)	(749,337)
Differences between expected and actual experience	-	(1,113,421)	49,542	2,373,162	0	(890,390)	0	1,499,364
Changes of assumptions or other input	-	98,644	(773,309)	(1,832,241)	0	4,049,642	381,673	944,657
Benefit payments	1,145,181	2,328,882	1,063,799	685,861	889,739	651,878	914,059	927,656
Net change in total OPEB liability	(334,238)	(193,206)	(1,392,773)	(608,311)	(902,179)	1,955,493	(561,988)	1,407,961
Total OPEB liability - beginning	(17,194,556)	(17,528,794)	(17,722,000)	(19,114,773)	(19,723,084)	(20,625,263)	(18,669,770)	(19,231,758)
Total OPEB liability - ending	\$ (17,528,794)	(17,722,000)	(19,114,773)	(19,723,084)	(20,625,263)	(18,669,770)	(19,231,758)	(17,823,797)
Covered employee payroll	\$ 106,083,368	102,474,145	106,060,740	110,933,328	114,815,994	122,557,879	126,847,405	143,003,400
Total OPEB Asset (Liability) as a percentage of payroll	16.52%	17.29%	18.02%	17.78%	17.96%	15.23%	15.16%	12.46%

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

CITY OF EUGENE, OREGON

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	\$ 5,590,483	277,979
<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.	9,521,686	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.	388,926	13,564
Recording lease revenue including lease proceeds from recognizing the present value of leases for their full contract period are reported on a GAAP basis. Such revenues are not reflected on a budget basis.	1,556	0
<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.	(9,521,687)	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>1,113,649</u>	<u>0</u>
Net change in fund balance - GAAP basis.	\$ <u>7,094,613</u>	<u>291,543</u>

Principal payments received of \$723,273 are reported in the Community Development Fund as other financing sources. No loans were originated. Such amounts have been reclassified as revenues on a GAAP basis. In addition, indirect cost reimbursements are reclassified from transfers to departmental administrative expenditures on a GAAP basis.

OTHER SUPPLEMENTARY INFORMATION

Other Supplementary Information

SPECIAL REVENUE FUNDS

Combining statements for all individual nonmajor special revenue funds are reported here. The combined totals are reported in the combining nonmajor governmental fund statements at B-1 and B-2. Fund statements for major special revenue funds are reported in Exhibits 3 and 4 of the basic financial statements.

Schedules of revenues, expenditures, and changes in fund balance - budget and actual are also presented here for each individual nonmajor special revenue fund. Budget and actual comparisons for major special revenue funds are reported as required supplementary information at A-2.

Major Special Revenue Fund:

Community Development Fund - To account for grant revenues received from the Federal government. Major expenditures include capital improvements benefiting low income persons and community development loans.

Nonmajor Special Revenue Funds:

Community Safety Fund - To account for revenues and expenditures associated with the Community Safety Initiative.

Construction and Rental Housing Fund - To account for construction permit services and rental housing code fees related to all properties within the city limits and the urban growth boundary including compliance with applicable laws and regulations.

Library Local Option Levy Fund – To account for revenues received from a five-year Property Tax levy to fund expanded Eugene Public Library services.

Library, Parks, and Recreation Fund - To account for contributions from private donors to support the public library and City-owned parks and recreation facilities.

Parks and Recreation Local Option Levy Fund - To account for local option levy property taxes for Parks and Recreation operations and maintenance.

Public Safety Communications Fund - To account for operations of the emergency dispatch center and the regional radio system. Resources are primarily from telephone excise taxes and intergovernmental revenue.

Road Fund - To account for the operation and maintenance of the City's street transportation system. Resources are provided from the City's share of State Highway Trust Fund allocations, State OTIA III monies, fees and permits, and other miscellaneous grants.

Solid Waste and Recycling Fund - To account for business license revenues which are used to regulate solid waste and recycling haulers and provide community education.

Special Assessment Management Fund - To account for operations of the property management and assessment hardship deferral programs.

Telecom Registration and Licensing Fund - To account for registration fees and business privilege taxes collected from providers of telecommunication services in Eugene. Resources are used for program administration and telecom projects that benefit the community.

Urban Renewal Agency Fund - To account for administration of the Urban Renewal Agency.

Urban Renewal Agency Riverfront Fund - To account for the accumulation of tax increment resources and rental income. Resources are used for improving the condition and appearance of the Riverfront District.

City of Eugene, Oregon

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2025

(amounts in dollars)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
<u>Assets</u>				
Equity in pooled cash and investments	82,899,900	1,869,429	31,659,104	116,428,433
Restricted cash and investments	0	0	18,670	18,670
Receivables:				
Interest	56,188	128,974	0	185,162
Taxes	438,460	721,126	0	1,159,586
Accounts	6,843,969	0	0	6,843,969
Assessments	24,383	27,021	23,511	74,915
Loans and notes	2,479,312	0	45,818	2,525,130
Leases	70,691	0	0	70,691
Allowance for uncollectibles	(18,699)	0	0	(18,699)
Due from other governments	2,582,426	74,932	2,076,567	4,733,925
Inventories	1,212,688	0	0	1,212,688
Prepays and deposits	1,565,418	0	0	1,565,418
Assets held for resale	0	1,541	780,018	781,559
Total assets	98,154,736	2,823,023	34,603,688	135,581,447
<u>Liabilities</u>				
Accounts payable	692,959	0	1,477,884	2,170,843
Wages payable	1,946,447	0	0	1,946,447
Due to other governments	222,616	0	5,551	228,167
Deposits	6,324	0	1,478,315	1,484,639
Retainage payable	12,501	0	420,898	433,399
Unearned revenue	125,809	0	2,359	128,168
Total liabilities	3,006,656	0	3,385,007	6,391,663
<u>Deferred inflows of resources</u>				
Related to leases	67,846	0	0	67,846
Unavailable revenue	2,998,342	878,662	41,624	3,918,628
Total deferred inflows of resources	3,066,188	878,662	41,624	3,986,474
<u>Fund balances</u>				
Nonspendable	2,778,106	0	0	2,778,106
Restricted	49,340,180	1,944,361	29,397,552	80,682,093
Committed	39,963,606	0	1,779,505	41,743,111
Total fund balances	92,081,892	1,944,361	31,177,057	125,203,310
Total liabilities, deferred inflows of resources, and fund balances	98,154,736	2,823,023	34,603,688	135,581,447

City of Eugene, Oregon

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

Nonmajor Governmental Funds

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Revenues				
Taxes	36,352,367	17,517,114	2,976,617	56,846,098
Licenses and permits	10,412,827	0	0	10,412,827
Intergovernmental	20,279,624	0	5,015,275	25,294,899
Rental income	20,171	0	0	20,171
Charges for services	5,048,240	0	63,228	5,111,468
Fines and forfeits	30,683	0	0	30,683
Special assessments	262	2,180	0	2,442
Repayment of revolving loans	39,010	0	0	39,010
Miscellaneous	6,065,261	382,595	1,374,172	7,822,028
Total revenues	78,248,445	17,901,889	9,429,292	105,579,626
Expenditures				
Current - departmental:				
Central services	9,397,185	0	0	9,397,185
Fire and emergency medical services	4,098,049	0	0	4,098,049
Library, recreation, and cultural services	4,838,158	0	0	4,838,158
Planning and development	14,837,226	0	0	14,837,226
Police	16,066,876	0	0	16,066,876
Public works	21,758,301	0	0	21,758,301
Debt service:				
Principal	0	14,972,000	0	14,972,000
Interest	21,744	1,477,460	66,304	1,565,508
Capital outlay	298,189	0	22,589,902	22,888,091
Total expenditures	71,315,728	16,449,460	22,656,206	110,421,394
Excess (deficiency) of revenues over expenditures	6,932,717	1,452,429	(13,226,914)	(4,841,768)
Other financing sources (uses)				
Issuance of debt	25,619	0	10,500,000	10,525,619
Loss from sale of assets	0	0	(10,760)	(10,760)
Transfers in	812,730	1,324,172	2,935,657	5,072,559
Transfers out	(3,714,347)	(1,908,212)	0	(5,622,559)
Total other financing sources (uses)	(2,875,998)	(584,040)	13,424,897	9,964,859
Net change in fund balances	4,056,719	868,389	197,983	5,123,091
Fund balances, beginning of year	88,025,172	1,075,972	30,979,074	120,080,218
Fund balances, end of year	92,081,891	1,944,361	31,177,057	125,203,309

City of Eugene, Oregon

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2025

(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	Solid Waste and Recycling	Special Assessment Management	Telecom Registration and Licensing	Urban Renewal Agency	Urban Renewal Agency Riverfront	Total
Assets													
Equity in pooled cash and investments	18,399,603	12,935,297	4,718,596	9,826,322	2,873,541	2,769,879	9,739,330	1,822,517	969,769	3,931,111	6,014,627	8,899,308	82,899,900
Receivables:													
Interest	0	0	15,457	0	19,141	0	0	0	0	0	0	21,590	56,188
Taxes	0	0	110,426	0	186,220	0	0	0	0	0	0	141,814	438,460
Accounts	6,091,646	119,463	0	0	0	0	315,788	0	0	229,632	87,440	0	6,843,969
Assessments	0	0	0	0	0	0	0	0	24,383	0	0	0	24,383
Loans and notes	0	1,574,135	0	7,397	0	0	0	0	0	0	897,780	0	2,479,312
Leases	0	0	0	69,811	0	0	880	0	0	0	0	0	70,691
Allowance for uncollectibles	0	0	0	0	0	0	(1,211)	0	0	0	(17,488)	0	(18,699)
Due from other governments	0	20,541	11,907	0	19,766	787,831	1,728,288	0	0	0	0	14,093	2,582,426
Inventories	0	0	0	0	0	0	1,212,688	0	0	0	0	0	1,212,688
Prepays and deposits	1,546,368	0	0	0	1,458	17,592	0	0	0	0	0	0	1,565,418
Total assets	26,037,617	14,649,436	4,856,386	9,903,530	3,100,126	3,575,302	12,995,763	1,822,517	994,152	4,160,743	6,982,359	9,076,805	98,154,736
Liabilities													
Accounts payable	304,436	263,563	2,773	39,718	3,486	1,238	39,508	22,597	0	15,640	0	0	692,959
Wages payable	738,657	392,288	71,739	0	96,062	108,737	491,681	30,350	0	16,933	0	0	1,946,447
Due to other governments	29,163	98,179	111	0	1,538	0	36,250	4,000	0	53,375	0	0	222,616
Deposits	0	0	0	0	0	0	6,324	0	0	0	0	0	6,324
Retainage payable	0	0	0	12,501	0	0	0	0	0	0	0	0	12,501
Unearned revenue	0	0	0	0	0	0	64,956	0	0	60,853	0	0	125,809
Total liabilities	1,072,256	754,030	74,623	52,219	101,086	109,975	638,719	56,947	0	146,801	0	0	3,006,656
Deferred inflows of resources													
Related to leases	0	0	0	67,019	0	0	827	0	0	0	0	0	67,846
Unavailable revenue	0	1,574,135	125,883	7,397	205,361	0	0	0	24,383	0	897,780	163,403	2,998,342
Total deferred inflows of resources	0	1,574,135	125,883	74,416	205,361	0	827	0	24,383	0	897,780	163,403	3,066,188
Fund balances													
Nonspendable	1,546,368	0	0	0	1,458	17,592	1,212,688	0	0	0	0	0	2,778,106
Restricted	0	760,369	4,655,880	9,776,895	2,792,221	3,447,735	11,143,529	1,765,570	0	0	6,084,579	8,913,402	49,340,180
Committed	23,418,993	11,560,902	0	0	0	0	0	0	969,769	4,013,942	0	0	39,963,606
Total fund balances	24,965,361	12,321,271	4,655,880	9,776,895	2,793,679	3,465,327	12,356,217	1,765,570	969,769	4,013,942	6,084,579	8,913,402	92,081,892
Total liabilities, deferred inflows of resources, and fund balances	26,037,617	14,649,436	4,856,386	9,903,530	3,100,126	3,575,302	12,995,763	1,822,517	994,152	4,160,743	6,982,359	9,076,805	98,154,736

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, 2025

(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	Solid Waste and Recycling	Special Assessment Management	Telecom Registration and Licensing	Urban Renewal Agency	Urban Renewal Agency Riverfront	Total
Revenues													
Taxes	25,355,395	0	2,750,437	0	5,130,503	0	0	0	0	0	0	3,116,032	36,352,367
Licenses and permits	0	3,960,970	0	0	0	0	3,070,523	1,448,313	0	1,933,021	0	0	10,412,827
Intergovernmental	0	0	0	2,002,000	0	3,143,059	15,133,515	0	0	0	1,050	0	20,279,624
Rental income	0	0	0	15,081	0	0	5,090	0	0	0	0	0	20,171
Charges for services	0	4,733,179	0	19,143	0	0	289,476	0	42	2,000	4,400	0	5,048,240
Fines and forfeits	0	30,683	0	0	0	0	0	0	0	0	0	0	30,683
Special assessments	0	0	0	0	0	0	0	0	262	0	0	0	262
Repayment of revolving loans	0	0	0	0	0	0	0	0	0	0	39,010	0	39,010
Miscellaneous	980,426	751,189	242,884	1,156,763	156,080	129,612	1,339,882	137,192	21,155	270,401	320,820	558,857	6,065,261
Total revenues	26,335,821	9,476,021	2,993,321	3,192,987	5,286,583	3,272,671	19,838,486	1,585,505	21,459	2,205,422	365,280	3,674,889	78,248,445
Expenditures													
Current - departmental:													
Central services	4,109,098	990,492	0	0	0	268,500	1,028,354	72,996	0	2,927,745	0	0	9,397,185
Fire and emergency medical services	3,675,257	422,792	0	0	0	0	0	0	0	0	0	0	4,098,049
Library, recreation, and cultural services	974,780	0	2,785,455	130,252	947,671	0	0	0	0	0	0	0	4,838,158
Planning and development	1,817,201	9,969,759	0	0	0	0	0	1,082,406	0	0	1,330,871	636,989	14,837,226
Police	13,083,150	0	0	0	500,135	2,483,591	0	0	0	0	0	0	16,066,876
Public works	0	671,544	0	0	3,351,764	0	17,734,993	0	0	0	0	0	21,758,301
Debt service:													
Interest	0	0	0	0	0	0	0	0	0	21,744	0	0	21,744
Capital outlay	0	0	0	298,189	0	0	0	0	0	0	0	0	298,189
Total expenditures	23,659,486	12,054,587	2,785,455	428,441	4,799,570	2,752,091	18,763,347	1,155,402	0	2,949,489	1,330,871	636,989	71,315,728
Excess (deficiency) of revenues over expenditures	2,676,335	(2,578,566)	207,866	2,764,546	487,013	520,580	1,075,139	430,103	21,459	(744,067)	(965,591)	3,037,900	6,932,717
Other financing sources (uses)													
Issuance of debt	0	0	0	0	0	25,619	0	0	0	0	0	0	25,619
Transfers in	0	0	0	0	0	0	0	0	0	0	795,686	17,044	812,730
Transfers out	(300,000)	0	0	0	0	0	(64,000)	(250,000)	0	0	0	(3,100,347)	(3,714,347)
Total other financing sources (uses)	(300,000)	0	0	0	0	25,619	(64,000)	(250,000)	0	0	795,686	(3,083,303)	(2,875,998)
Net change in fund balances	2,376,335	(2,578,566)	207,866	2,764,546	487,013	546,199	1,011,139	180,103	21,459	(744,067)	(169,905)	(45,403)	4,056,719
Fund balances, beginning of year	22,589,026	14,899,837	4,448,014	7,012,348	2,306,666	2,919,128	11,345,078	1,585,467	948,310	4,758,009	6,254,484	8,958,805	88,025,172
Fund balances, end of year	24,965,361	12,321,271	4,655,880	9,776,894	2,793,679	3,465,327	12,356,217	1,765,570	969,769	4,013,942	6,084,579	8,913,402	92,081,891

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
Revenues								
Taxes	44,700,000	44,700,000	24,351,549	25,355,395	49,706,944	(5,006,944)	0	25,355,395
Charges for services	0	11,321	0	0	0	11,321	0	0
Miscellaneous	288,000	288,000	540,003	878,313	1,418,316	(1,130,316)	102,113	980,426
Total revenues	44,988,000	44,999,321	24,891,552	26,233,708	51,125,260	(6,125,939)	102,113	26,335,821
Expenditures								
Current - departmental:								
Central services	11,532,560	11,446,091	3,677,073	5,570,858	9,247,931	2,198,160	(1,461,760)	4,109,098
Fire and emergency medical services	5,221,651	6,091,831	2,016,760	3,675,257	5,692,017	399,814	0	3,675,257
Library, recreation, and cultural services	2,380,538	2,380,538	1,024,817	974,780	1,999,597	380,941	0	974,780
Planning and development	3,272,922	3,363,319	595,444	1,817,201	2,412,645	950,674	0	1,817,201
Police	28,643,082	28,455,365	12,213,853	13,162,308	25,376,161	3,079,204	(79,158)	13,083,150
Total expenditures	51,050,753	51,737,144	19,527,947	25,200,404	44,728,351	7,008,793	(1,540,918)	23,659,486
Excess (deficiency) of revenues over expenditures	(6,062,753)	(6,737,823)	5,363,605	1,033,304	6,396,909	(13,134,732)	1,643,031	2,676,335
Other financing sources (uses)								
Transfers out	(272,000)	(572,000)	(272,000)	(300,000)	(572,000)	0	0	(300,000)
Total other financing sources (uses)	(272,000)	(572,000)	(272,000)	(300,000)	(572,000)	0	0	(300,000)
Net change in fund balance	(6,334,753)	(7,309,823)	5,091,605	733,304	5,824,909	(13,134,732)	1,643,031	2,376,335
Fund balance, beginning of year	17,403,831	17,562,895	17,562,895	22,654,500	17,562,895	(5,091,605)	(65,474)	22,589,026
Fund balances, end of year	11,069,078	10,253,072	22,654,500	23,387,804	23,387,804	(18,226,337)	1,577,557	24,965,361

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
Revenues								
Licenses and permits	9,877,150	9,877,150	5,423,967	3,960,970	9,384,937	492,213	0	3,960,970
Charges for services	15,700,750	15,700,750	7,053,252	5,485,541	12,538,793	3,161,957	(752,362)	4,733,179
Fines and forfeits	100,000	100,000	56,463	30,683	87,146	12,854	0	30,683
Miscellaneous	346,500	346,500	549,826	668,697	1,218,523	(872,023)	82,492	751,189
Total revenues	26,024,400	26,024,400	13,083,508	10,145,891	23,229,399	2,795,001	(669,870)	9,476,021
Expenditures								
Current - departmental:								
Central services	0	0	0	0	0	0	990,492	990,492
Fire and emergency medical services	1,372,229	1,372,229	459,164	422,792	881,956	490,273	0	422,792
Planning and development	21,732,692	22,439,273	9,752,659	9,602,998	19,355,657	3,083,616	366,761	9,969,759
Public works	1,484,880	1,484,880	679,296	671,544	1,350,840	134,040	0	671,544
Special payments	6,563,319	8,296,188	1,986,426	1,119,123	3,105,549	5,190,639	(1,119,123)	0
Total expenditures	31,153,120	33,592,570	12,877,545	11,816,457	24,694,002	8,898,568	238,130	12,054,587
Excess (deficiency) of revenues over expenditures	(5,128,720)	(7,568,170)	205,963	(1,670,566)	(1,464,603)	(6,103,567)	(908,000)	(2,578,566)
Other financing sources (uses)								
Transfers in	0	1,000,000	1,000,000	0	1,000,000	0	0	0
Transfers out	(1,981,000)	(1,981,000)	(990,493)	(990,492)	(1,980,985)	(15)	990,492	0
Total other financing sources (uses)	(1,981,000)	(981,000)	9,507	(990,492)	(980,985)	(15)	990,492	0
Net change in fund balance	(7,109,720)	(8,549,170)	215,470	(2,661,058)	(2,445,588)	(6,103,582)	82,492	(2,578,566)
Fund balance, beginning of year	13,160,035	14,744,917	14,744,917	14,960,387	14,744,917	(215,470)	(60,550)	14,899,837
Fund balances, end of year	6,050,315	6,195,747	14,960,387	12,299,329	12,299,329	(6,319,052)	21,942	12,321,271

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
<u>Revenues</u>								
Taxes	5,514,000	5,514,000	2,753,362	2,750,437	5,503,799	10,201	0	2,750,437
Miscellaneous	96,000	96,000	157,834	216,740	374,574	(278,574)	26,144	242,884
Total revenues	5,610,000	5,610,000	2,911,196	2,967,177	5,878,373	(268,373)	26,144	2,993,321
<u>Expenditures</u>								
Current - departmental:								
Library, recreation, and cultural services	7,347,111	7,247,111	2,385,387	2,785,455	5,170,842	2,076,269	0	2,785,455
Total expenditures	7,347,111	7,247,111	2,385,387	2,785,455	5,170,842	2,076,269	0	2,785,455
Net change in fund balance	(1,737,111)	(1,637,111)	525,809	181,722	707,531	(2,344,642)	26,144	207,866
Fund balance, beginning of year	3,684,886	3,940,273	3,940,273	4,466,082	3,940,273	(525,809)	(18,068)	4,448,014
Fund balances, end of year	1,947,775	2,303,162	4,466,082	4,647,804	4,647,804	(2,870,451)	8,076	4,655,880

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
			First Year	Second Year		Variance With	Year 2	Year 2 GAAP
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Actual</u>	<u>Total Actual</u>	<u>Final Budget</u>	<u>Adjustment</u>	<u>basis</u>
<u>Revenues</u>								
Intergovernmental	0	2,002,000	447	2,002,000	2,002,447	(447)	0	2,002,000
Rental income	36,000	36,000	45,315	17,260	62,575	(26,575)	(2,179)	15,081
Charges for services	50,000	50,000	0	19,143	19,143	30,857	0	19,143
Miscellaneous	2,081,000	2,128,650	917,010	1,108,906	2,025,916	102,734	47,857	1,156,763
Total revenues	2,167,000	4,216,650	962,772	3,147,309	4,110,081	106,569	45,678	3,192,987
<u>Expenditures</u>								
Current - departmental:								
Library, recreation, and cultural services	843,000	843,000	103,129	130,252	233,381	609,619	0	130,252
Capital outlay	1,614,391	3,858,332	500,128	298,189	798,317	3,060,015	0	298,189
Total expenditures	2,457,391	4,701,332	603,257	428,441	1,031,698	3,669,634	0	428,441
Net change in fund balance	(290,391)	(484,682)	359,515	2,718,868	3,078,383	(3,563,065)	45,678	2,764,546
Fund balance, beginning of year	6,678,756	6,678,756	6,678,756	7,038,271	6,678,756	(359,515)	(25,923)	7,012,348
Fund balances, end of year	6,388,365	6,194,074	7,038,271	9,757,139	9,757,139	(3,922,580)	19,755	9,776,894

City of Eugene, Oregon

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, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
<u>Revenues</u>								
Taxes	10,250,000	10,250,000	5,123,199	5,130,503	10,253,702	(3,702)	0	5,130,503
Charges for services	0	0	0	0	0	0	0	0
Miscellaneous	36,000	36,000	74,416	141,757	216,173	(180,173)	14,323	156,080
Total revenues	10,286,000	10,286,000	5,197,615	5,272,260	10,469,875	(183,875)	14,323	5,286,583
<u>Expenditures</u>								
Current - departmental:								
Library, recreation, and cultural services	2,247,968	2,247,968	867,732	947,671	1,815,403	432,565	0	947,671
Police	928,636	928,060	388,432	501,435	889,867	38,193	(1,300)	500,135
Public works	5,986,999	5,986,999	2,507,748	3,351,764	5,859,512	127,487	0	3,351,764
Capital outlay	0	0	0	0	0	0	0	0
Total expenditures	9,163,603	9,163,027	3,763,912	4,800,870	8,564,782	598,245	(1,300)	4,799,570
Net change in fund balance	1,122,397	1,122,973	1,433,703	471,390	1,905,093	(782,120)	15,623	487,013
Fund balance, beginning of year	882,262	882,262	882,262	2,315,965	882,262	(1,433,703)	(9,299)	2,306,666
Fund balances, end of year	2,004,659	2,005,235	2,315,965	2,787,355	2,787,355	(2,215,823)	6,324	2,793,679

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
<u>Revenues</u>								
Intergovernmental	6,100,000	6,100,000	3,211,979	3,143,059	6,355,038	(255,038)	0	3,143,059
Charges for services	510,948	3,807	3,164	0	3,164	643	0	0
Miscellaneous	54,000	47,693	97,603	116,321	213,924	(166,231)	13,291	129,612
Total revenues	6,664,948	6,151,500	3,312,746	3,259,380	6,572,126	(420,626)	13,291	3,272,671
<u>Expenditures</u>								
Current - departmental:								
Central services	0	0	0	0	0	0	268,500	268,500
Police	7,515,655	6,519,713	1,860,142	2,446,013	4,306,155	2,213,558	37,578	2,483,591
Special payments	0	1,542,712	1,541,259	0	1,541,259	1,453	0	0
Total expenditures	7,515,655	8,062,425	3,401,401	2,446,013	5,847,414	2,215,011	306,078	2,752,091
Excess (deficiency) of revenues over expenditures	(850,707)	(1,910,925)	(88,655)	813,367	724,712	(2,635,637)	(292,787)	520,580
<u>Other financing sources (uses)</u>								
Issuance of debt	0	0	0	0	0	0	25,619	25,619
Transfers out	(547,000)	(539,913)	(271,413)	(268,500)	(539,913)	0	268,500	0
Total other financing sources (uses)	(547,000)	(539,913)	(271,413)	(268,500)	(539,913)	0	294,119	25,619
Net change in fund balance	(1,397,707)	(2,450,838)	(360,068)	544,867	184,799	(2,635,637)	1,332	546,199
Fund balance, beginning of year	2,448,020	3,258,282	3,258,282	2,898,214	3,258,282	360,068	20,914	2,919,128
Fund balances, end of year	1,050,313	807,444	2,898,214	3,443,081	3,443,081	(2,275,569)	22,246	3,465,327

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	<u>Original</u>	<u>Final</u>	<u>First Year Actual</u>	<u>Second Year Actual</u>	<u>Total Actual</u>	<u>Variance With Final Budget</u>	<u>Year 2 Adjustment</u>	<u>Year 2 GAAP basis</u>
<u>Revenues</u>								
Licenses and permits	5,796,000	5,796,000	3,351,765	3,070,523	6,422,288	(626,288)	0	3,070,523
Intergovernmental	28,328,000	30,411,423	13,821,231	15,133,515	28,954,746	1,456,677	0	15,133,515
Rental income	33,200	33,200	27,776	5,144	32,920	280	(54)	5,090
Charges for services	298,000	298,000	63,233	289,476	352,709	(54,709)	0	289,476
Fines and forfeits	0	44,279	44,279	0	44,279	0	0	0
Miscellaneous	406,000	406,000	924,208	1,289,418	2,213,626	(1,807,626)	50,464	1,339,882
Total revenues	34,861,200	36,988,902	18,232,492	19,788,076	38,020,568	(1,031,666)	50,410	19,838,486
<u>Expenditures</u>								
Current - departmental:								
Central services	0	173,000	0	164,858	164,858	8,142	863,496	1,028,354
Public works	36,217,313	38,686,925	16,738,326	17,768,904	34,507,230	4,179,695	(33,911)	17,734,993
Total expenditures	36,217,313	38,859,925	16,738,326	17,933,762	34,672,088	4,187,837	829,585	18,763,347
Excess (deficiency) of revenues over expenditures	(1,356,113)	(1,871,023)	1,494,166	1,854,314	3,348,480	(5,219,503)	(779,175)	1,075,139
<u>Other financing sources (uses)</u>								
Transfers out	(3,817,000)	(3,881,000)	(2,953,496)	(927,496)	(3,880,992)	(8)	863,496	(64,000)
Total other financing sources (uses)	(3,817,000)	(3,881,000)	(2,953,496)	(927,496)	(3,880,992)	(8)	863,496	(64,000)
Net change in fund balance	(5,173,113)	(5,752,023)	(1,459,330)	926,818	(532,512)	(5,219,511)	84,321	1,011,139
Fund balance, beginning of year	10,600,343	11,659,690	11,659,690	10,200,360	11,659,690	1,459,330	1,144,718	11,345,078
Fund balances, end of year	5,427,230	5,907,667	10,200,360	11,127,178	11,127,178	(3,760,181)	1,229,039	12,356,217

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
Revenues								
Licenses and permits	2,791,823	2,791,823	1,396,093	1,448,313	2,844,406	(52,583)	0	1,448,313
Miscellaneous	50,600	50,600	87,222	127,615	214,837	(164,237)	9,577	137,192
Total revenues	2,842,423	2,842,423	1,483,315	1,575,928	3,059,243	(216,820)	9,577	1,585,505
Expenditures								
Current - departmental:								
Central services	0	0	0	0	0	0	72,996	72,996
Planning and development	3,154,012	3,264,911	1,105,466	1,082,406	2,187,872	1,077,039	0	1,082,406
Total expenditures	3,154,012	3,264,911	1,105,466	1,082,406	2,187,872	1,077,039	72,996	1,155,402
Excess (deficiency) of revenues over expenditures	(311,589)	(422,488)	377,849	493,522	871,371	(1,293,859)	(63,419)	430,103
Other financing sources (uses)								
Transfers out	(646,000)	(646,000)	(322,996)	(322,996)	(645,992)	(8)	72,996	(250,000)
Total other financing sources (uses)	(646,000)	(646,000)	(322,996)	(322,996)	(645,992)	(8)	72,996	(250,000)
Net change in fund balance	(957,589)	(1,068,488)	54,853	170,526	225,379	(1,293,867)	9,577	180,103
Fund balance, beginning of year	1,358,176	1,537,073	1,537,073	1,591,926	1,537,073	(54,853)	(6,459)	1,585,467
Fund balances, end of year	400,587	468,585	1,591,926	1,762,452	1,762,452	(1,348,720)	3,118	1,765,570

City of Eugene, Oregon

Special Assessment Management Fund

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
Revenues								
Charges for services	50	50	46	42	88	(38)	0	42
Special assessments	0	0	0	0	0	0	262	262
Miscellaneous	11,280	11,280	16,296	18,102	34,398	(23,118)	3,053	21,155
Total revenues	11,330	11,330	16,342	18,144	34,486	(23,156)	3,315	21,459
Expenditures								
Special payments	60,000	60,000	0	0	0	60,000	0	0
Total expenditures	60,000	60,000	0	0	0	60,000	0	0
Excess (deficiency) of revenues over expenditures	(48,670)	(48,670)	16,342	18,144	34,486	(83,156)	3,315	21,459
Other financing sources (uses)								
Principal payments received	880	880	689	262	951	(71)	(262)	0
Interfund loans issuance	600,000	600,000	0	600,000	600,000	0	(600,000)	0
Transfers in	60,000	60,000	0	0	0	60,000	0	0
Transfers out	(17,000)	(17,000)	0	0	0	(17,000)	0	0
Total other financing sources (uses)	643,880	643,880	689	600,262	600,951	42,929	(600,262)	0
Net change in fund balance	595,210	595,210	17,031	618,406	635,437	(40,227)	(596,947)	21,459
Fund balance, beginning of year	300,771	332,658	332,658	349,689	332,658	(17,031)	598,621	948,310
Fund balances, end of year	895,981	927,868	349,689	968,095	968,095	(57,258)	1,674	969,769

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
Revenues								
Licenses and permits	4,000,000	4,000,000	2,055,307	1,933,021	3,988,328	11,672	0	1,933,021
Charges for services	0	0	0	2,000	2,000	(2,000)	0	2,000
Miscellaneous	104,000	104,000	194,258	243,646	437,904	(333,904)	26,755	270,401
Total revenues	4,104,000	4,104,000	2,249,565	2,178,667	4,428,232	(324,232)	26,755	2,205,422
Expenditures								
Current - departmental:								
Central services	5,570,040	6,497,421	2,232,590	2,785,531	5,018,121	1,479,300	142,214	2,927,745
Debt service	33,000	47,000	21,780	21,744	43,524	3,476	0	21,744
Special payments	240,000	600,000	120,000	480,000	600,000	0	(480,000)	0
Total expenditures	5,843,040	7,144,421	2,374,370	3,287,275	5,661,645	1,482,776	(337,786)	2,949,489
Excess (deficiency) of revenues over expenditures	(1,739,040)	(3,040,421)	(124,805)	(1,108,608)	(1,233,413)	(1,807,008)	364,541	(744,067)
Other financing sources (uses)								
Transfers out	(57,000)	(57,000)	(28,500)	(28,500)	(57,000)	0	28,500	0
Total other financing sources (uses)	(57,000)	(57,000)	(28,500)	(28,500)	(57,000)	0	28,500	0
Net change in fund balance	(1,796,040)	(3,097,421)	(153,305)	(1,137,108)	(1,290,413)	(1,807,008)	393,041	(744,067)
Fund balance, beginning of year	3,168,676	5,297,586	5,297,586	5,144,281	5,297,586	153,305	(386,272)	4,758,009
Fund balances, end of year	1,372,636	2,200,165	5,144,281	4,007,173	4,007,173	(1,653,703)	6,769	4,013,942

City of Eugene, Oregon

Urban Renewal Agency General Fund

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
Revenues								
Intergovernmental	0	0	300	1,050	1,350	(1,350)	0	1,050
Rental income	1,800	1,800	1,295	0	1,295	505	0	0
Charges for services	0	0	0	4,400	4,400	(4,400)	0	4,400
Repayment of revolving loans	0	0	0	0	0	0	39,010	39,010
Miscellaneous	108,832	108,832	214,676	286,250	500,926	(392,094)	34,570	320,820
Total revenues	110,632	110,632	216,271	291,700	507,971	(397,339)	73,580	365,280
Expenditures								
Current - departmental:								
Planning and development	802,055	1,701,292	579,272	805,686	1,384,958	316,334	525,185	1,330,871
Special payments	4,313,517	4,163,517	49,984	525,185	575,169	3,588,348	(525,185)	0
Total expenditures	5,115,572	5,864,809	629,256	1,330,871	1,960,127	3,904,682	0	1,330,871
Excess (deficiency) of revenues over expenditures	(5,004,940)	(5,754,177)	(412,985)	(1,039,171)	(1,452,156)	(4,302,021)	73,580	(965,591)
Other financing sources (uses)								
Principal payments received	21,188	21,188	26,694	39,010	65,704	(44,516)	(39,010)	0
Transfers in	794,467	1,543,704	579,272	795,686	1,374,958	168,746	0	795,686
Total other financing sources (uses)	815,655	1,564,892	605,966	834,696	1,440,662	124,230	(39,010)	795,686
Net change in fund balance	(4,189,285)	(4,189,285)	192,981	(204,475)	(11,494)	(4,177,791)	34,570	(169,905)
Fund balance, beginning of year	5,852,720	6,085,975	6,085,975	6,278,956	6,085,975	(192,981)	(24,472)	6,254,484
Fund balances, end of year	1,663,435	1,896,690	6,278,956	6,074,481	6,074,481	(4,370,772)	10,098	6,084,579

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
Revenues								
Taxes	4,120,000	7,203,000	4,310,697	3,116,032	7,426,729	(223,729)	0	3,116,032
Miscellaneous	116,000	116,000	317,155	504,045	821,200	(705,200)	54,812	558,857
Total revenues	4,236,000	7,319,000	4,627,852	3,620,077	8,247,929	(928,929)	54,812	3,674,889
Expenditures								
Current - departmental:								
Planning and development	740,524	1,478,875	658,724	636,989	1,295,713	183,162	0	636,989
Intergovernmental	9,778,608	9,778,608	1,323,608	1,324,172	2,647,780	7,130,828	(1,324,172)	0
Total expenditures	10,519,132	11,257,483	1,982,332	1,961,161	3,943,493	7,313,990	(1,324,172)	636,989
Excess (deficiency) of revenues over expenditures	(6,283,132)	(3,938,483)	2,645,520	1,658,916	4,304,436	(8,242,919)	1,378,984	3,037,900
Other financing sources (uses)								
Transfers in	1,000,000	3,017,044	1,000,000	17,044	1,017,044	2,000,000	0	17,044
Transfers out	0	(2,214,044)	0	(1,776,175)	(1,776,175)	(437,869)	(1,324,172)	(3,100,347)
Total other financing sources (uses)	1,000,000	803,000	1,000,000	(1,759,131)	(759,131)	1,562,131	(1,324,172)	(3,083,303)
Net change in fund balance	(5,283,132)	(3,135,483)	3,645,520	(100,215)	3,545,305	(6,680,788)	54,812	(45,403)
Fund balance, beginning of year	5,341,167	5,348,708	5,348,708	8,994,228	5,348,708	(3,645,520)	(35,423)	8,958,805
Fund balances, end of year	58,035	2,213,225	8,994,228	8,894,013	8,894,013	(10,326,308)	19,389	8,913,402

DEBT SERVICE FUNDS

Combining statements for all individual nonmajor debt service funds are reported here. The combined totals are reported in the combining nonmajor governmental fund statements at B-1 and B-2. Fund statements for major debt service funds are reported in Exhibits 3 and 4 of the basic financial statements.

Schedules of revenues, expenditures, and changes in fund balance - budget and actual are also presented here for each individual debt service fund.

Nonmajor Debt Service Funds:

General Obligation Debt Service Fund - To account for the accumulation of resources for, and the payment of, general obligation indebtedness of the City, excluding debt accounted for as proprietary fund or special assessment debt. The debt service is financed through property taxes and interest income.

Miscellaneous Debt Service Fund - To account for the payment of debt that is not accounted for in another debt service fund.

Special Assessment Bond Debt Service Fund - To account for special assessment receivables and the servicing of the related bonded debt. The debt service is financed through special assessment principal and interest collections and interest income.

Urban Renewal Agency Debt Service Fund - To account for the accumulation of tax increment resources and payment of Tax Increment Bonds.

Debt Service Funds

City of Eugene, Oregon

Combining Balance Sheet*Nonmajor Debt Service Funds*

June 30, 2025

(amounts in dollars)

	General <u>Obligation</u>	Miscellaneous	Special Assessment <u>Bond</u>	Urban Renewal <u>Agency</u>	<u>Total</u>
<u>Assets</u>					
Equity in pooled cash and investments	579,901	134,632	43,708	1,111,188	1,869,429
Receivables:					
Interest	108,499	0	0	20,475	128,974
Taxes	604,188	0	0	116,938	721,126
Assessments	0	0	27,021	0	27,021
Due from other governments	62,935	0	0	11,997	74,932
Assets held for resale	0	0	1,541	0	1,541
Total assets	1,355,523	134,632	72,270	1,260,598	2,823,023
<hr/>					
Total liabilities	0	0	0	0	0
<hr/>					
<u>Deferred inflows of resources</u>					
Unavailable revenue	712,687	0	28,562	137,413	878,662
Total deferred inflows of resources	712,687	0	28,562	137,413	878,662
<hr/>					
<u>Fund balances</u>					
Restricted	642,836	134,632	43,708	1,123,185	1,944,361
Total fund balances	642,836	134,632	43,708	1,123,185	1,944,361
Total liabilities, deferred inflows of resources, and fund balances	1,355,523	134,632	72,270	1,260,598	2,823,023

City of Eugene, Oregon

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

Nonmajor Debt Service Funds

For the fiscal year ended June 30, 2025

(amounts in dollars)

	General <u>Obligation</u>	Miscellaneous <u>Bond</u>	Special Assessment <u>Bond</u>	Urban Renewal <u>Agency</u>	<u>Total</u>
<u>Revenues</u>					
Taxes	14,726,581	0	0	2,790,533	17,517,114
Special assessments	0	0	2,180	0	2,180
Miscellaneous	284,888	6,828	2,286	88,593	382,595
Total revenues	15,011,469	6,828	4,466	2,879,126	17,901,889
<u>Expenditures</u>					
Debt service:					
Principal	13,785,000	1,187,000	0	0	14,972,000
Interest	1,340,288	137,172	0	0	1,477,460
Total expenditures	15,125,288	1,324,172	0	0	16,449,460
Excess (deficiency) of revenues over expenditures	(113,819)	(1,317,344)	4,466	2,879,126	1,452,429
<u>Other financing sources (uses)</u>					
Transfers in	0	1,324,172	0	0	1,324,172
Transfers out	0	0	0	(1,908,212)	(1,908,212)
Total other financing sources (uses)	0	1,324,172	0	(1,908,212)	(584,040)
Net change in fund balances	(113,819)	6,828	4,466	970,914	868,389
Fund balances, beginning of year	756,655	127,804	39,242	152,271	1,075,972
Fund balances, end of year	642,836	134,632	43,708	1,123,185	1,944,361

City of Eugene, Oregon

General Obligation Debt Service Fund

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
<u>Revenues</u>								
Taxes	28,470,548	28,470,548	13,374,546	14,726,581	28,101,127	369,421	0	14,726,581
Miscellaneous	160,000	160,000	241,027	281,104	522,131	(362,131)	3,784	284,888
Total revenues	28,630,548	28,630,548	13,615,573	15,007,685	28,623,258	7,290	3,784	15,011,469
<u>Expenditures</u>								
Debt service	28,959,864	29,116,118	13,341,705	15,125,288	28,466,993	649,125	0	15,125,288
Total expenditures	28,959,864	29,116,118	13,341,705	15,125,288	28,466,993	649,125	0	15,125,288
Excess (deficiency) of revenues over expenditures	(329,316)	(485,570)	273,868	(117,603)	156,265	(641,835)	3,784	(113,819)
Total other financing sources (uses)	0	0	0	0	0	0	0	0
Net change in fund balance	(329,316)	(485,570)	273,868	(117,603)	156,265	(641,835)	3,784	(113,819)
Fund balance, beginning of year	329,316	485,570	485,570	759,438	485,570	(273,868)	(2,783)	756,655
Fund balance, end of year	0	0	759,438	641,835	641,835	(915,703)	1,001	642,836

City of Eugene, Oregon

Miscellaneous Debt Service Fund

D-4

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
<u>Revenues</u>								
Intergovernmental	8,778,608	8,778,608	1,323,608	1,324,172	2,647,780	6,130,828	(1,324,172)	0
Miscellaneous	2,000	2,000	4,819	6,089	10,908	(8,908)	739	6,828
Total revenues	8,780,608	8,780,608	1,328,427	1,330,261	2,658,688	6,121,920	(1,323,433)	6,828
<u>Expenditures</u>								
Debt service	8,778,608	8,778,608	1,323,608	1,324,172	2,647,780	6,130,828	0	1,324,172
Total expenditures	8,778,608	8,778,608	1,323,608	1,324,172	2,647,780	6,130,828	0	1,324,172
Excess (deficiency) of revenues over expenditures	2,000	2,000	4,819	6,089	10,908	(8,908)	(1,323,433)	(1,317,344)
<u>Other financing sources (uses)</u>								
Transfers in	0	0	0	0	0	0	1,324,172	1,324,172
Total other financing sources (uses)	0	0	0	0	0	0	1,324,172	1,324,172
Net change in fund balance	2,000	2,000	4,819	6,089	10,908	(8,908)	739	6,828
Fund balance, beginning of year	122,640	123,492	123,492	128,311	123,492	(4,819)	(507)	127,804
Fund balance, end of year	124,640	125,492	128,311	134,400	134,400	(13,727)	232	134,632

City of Eugene, Oregon

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, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
<u>Revenues</u>								
Special assessments	0	0	0	0	0	0	2,180	2,180
Miscellaneous	15,000	15,000	591	2,055	2,646	12,354	231	2,286
Total revenues	15,000	15,000	591	2,055	2,646	12,354	2,411	4,466
<u>Total expenditures</u>	0	0	0	0	0	0	0	0
Excess (deficiency) of revenues over expenditures	15,000	15,000	591	2,055	2,646	12,354	2,411	4,466
<u>Other financing sources (uses)</u>								
Principal payments received	40,000	40,000	8,182	2,180	10,362	29,638	(2,180)	0
Transfers in	0	0	0	0	0	0	0	0
Transfers out	(20,000)	(20,000)	0	0	0	(20,000)	0	0
Total other financing sources (uses)	20,000	20,000	8,182	2,180	10,362	9,638	(2,180)	0
Net change in fund balance	35,000	35,000	8,773	4,235	13,008	21,992	231	4,466
Fund balance, beginning of year	23,385	30,624	30,624	39,397	30,624	(8,773)	(155)	39,242
Fund balance, end of year	58,385	65,624	39,397	43,632	43,632	13,219	76	43,708

City of Eugene, Oregon

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, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	<u>Original</u>	<u>Final</u>	<u>First Year Actual</u>	<u>Second Year Actual</u>	<u>Total Actual</u>	<u>Variance With Final Budget</u>	<u>Year 2 Adjustment</u>	<u>Year 2 GAAP basis</u>
<u>Revenues</u>								
Taxes	2,890,000	5,875,000	2,749,673	2,790,533	5,540,206	334,794	0	2,790,533
Miscellaneous	14,000	14,000	94,782	82,820	177,602	(163,602)	5,773	88,593
Total revenues	2,904,000	5,889,000	2,844,455	2,873,353	5,717,808	171,192	5,773	2,879,126
Total expenditures	0	0	0	0	0	0	0	0
Excess (deficiency) of revenues over expenditures	2,904,000	5,889,000	2,844,455	2,873,353	5,717,808	171,192	5,773	2,879,126
<u>Other financing sources (uses)</u>								
Transfers out	(2,991,800)	(5,866,037)	(3,429,453)	(1,908,212)	(5,337,665)	(528,372)	0	(1,908,212)
Total other financing sources (uses)	(2,991,800)	(5,866,037)	(3,429,453)	(1,908,212)	(5,337,665)	(528,372)	0	(1,908,212)
Net change in fund balance	(87,800)	22,963	(584,998)	965,141	380,143	(357,180)	5,773	970,914
Fund balance, beginning of year	663,745	737,831	737,831	152,833	737,831	584,998	(562)	152,271
Fund balance, end of year	575,945	760,794	152,833	1,117,974	1,117,974	227,818	5,211	1,123,185

CAPITAL PROJECTS FUNDS

Combining statements for all individual nonmajor capital projects funds are reported here. The combined totals are reported in the combining nonmajor governmental fund statements at B-1 and B-2. Fund statements for major capital projects funds are reported in Exhibits 3 and 4 of the basic financial statements.

Schedules of revenues, expenditures, and changes in fund balance - budget and actual are also presented here for each individual capital projects fund.

Major Capital Projects Funds:

General Capital Projects Fund - To account for the financing and construction of capital facilities not financed by proprietary or other capital projects funds. General Fund revenues, Federal and State grants, donations, and bond proceeds provide the financing for the expenditures of this fund.

Systems Development Capital Projects Fund - To account 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.

Nonmajor Capital Projects Funds:

Special Assessment Capital Projects Fund - To account for the interim financing and related costs of construction for public improvements which primarily benefit the property owners against whose properties special assessments are levied. Construction-period financing is obtained through issuance of bond anticipation notes, and the debt service thereon is financed through special assessment collections, proceeds of long-term bonded debt, and interest on investments.

Transportation Capital Projects Fund - To account for revenues from dedicated sources and related nondevelopment transportation capital project expenditures. Revenues are generated primarily from a \$0.05 per gallon local motor vehicle fuel tax, transportation grants, and the 2008 Street Bond.

Urban Renewal Agency Capital Projects Fund - To account for costs of constructing and improving capital facilities in the Downtown District. Financing is provided by transfers from the Urban Renewal Agency Fund and interest on investments.

Urban Renewal Agency Riverfront Capital Projects Fund - To account for costs of constructing and improving capital facilities in the Riverfront District. Financing is provided by transfers from the Urban Renewal Agency Riverfront Fund and interest on investments.

City of Eugene, Oregon

Combining Balance Sheet*Nonmajor Capital Projects Funds*

June 30, 2025

(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	3,229,850	22,414,069	2,323,832	3,691,353	31,659,104
Restricted cash and investments	0	18,043	0	627	18,670
Receivables:					
Assessments	23,511	0	0	0	23,511
Loans and notes	45,818	0	0	0	45,818
Due from other governments	0	2,076,567	0	0	2,076,567
Assets held for resale	265	0	0	779,753	780,018
Total assets	3,299,444	24,508,679	2,323,832	4,471,733	34,603,688
<u>Liabilities</u>					
Accounts payable	0	941,366	186,598	349,920	1,477,884
Due to other governments	0	5,551	0	0	5,551
Deposits	1,478,315	0	0	0	1,478,315
Retainage payable	0	168,666	0	252,232	420,898
Unearned revenue	0	2,359	0	0	2,359
Total liabilities	1,478,315	1,117,942	186,598	602,152	3,385,007
<u>Deferred inflows of resources</u>					
Unavailable revenue	41,624	0	0	0	41,624
Total deferred inflows of resources	41,624	0	0	0	41,624
<u>Fund balances</u>					
Restricted	0	23,390,737	2,137,234	3,869,581	29,397,552
Committed	1,779,505	0	0	0	1,779,505
Total fund balances	1,779,505	23,390,737	2,137,234	3,869,581	31,177,057
Total liabilities, deferred inflows of resources, and fund balances	3,299,444	24,508,679	2,323,832	4,471,733	34,603,688

City of Eugene, Oregon

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

Nonmajor Capital Projects Funds

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Special Assessment	Transportation	Urban Renewal Agency	Urban Renewal Agency Riverfront	Total
<u>Revenues</u>					
Taxes	0	2,976,617	0	0	2,976,617
Intergovernmental	0	5,015,275	0	0	5,015,275
Charges for services	32,693	30,535	0	0	63,228
Miscellaneous	41,289	892,889	192,279	247,715	1,374,172
Total revenues	73,982	8,915,316	192,279	247,715	9,429,292
<u>Expenditures</u>					
Debt service:					
Interest	0	17,984	48,320	0	66,304
Capital outlay	0	18,262,261	2,154,689	2,172,952	22,589,902
Total expenditures	0	18,280,245	2,203,009	2,172,952	22,656,206
Excess (deficiency) of revenues over expenditures	73,982	(9,364,929)	(2,010,730)	(1,925,237)	(13,226,914)
<u>Other financing sources (uses)</u>					
Issuance of debt	0	10,500,000	0	0	10,500,000
Loss from sale of assets	0	0	0	(10,760)	(10,760)
Transfers in	0	64,000	1,112,526	1,759,131	2,935,657
Transfers out	0	0	0	0	0
Total other financing sources (uses)	0	10,564,000	1,112,526	1,748,371	13,424,897
Net change in fund balances	73,982	1,199,071	(898,204)	(176,866)	197,983
Fund balances, beginning of year	1,705,523	22,191,666	3,035,438	4,046,447	30,979,074
Fund balances, end of year	1,779,505	23,390,737	2,137,234	3,869,581	31,177,057

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
Revenues								
Intergovernmental	5,379,000	8,981,999	149,262	5,463,358	5,612,620	3,369,379	0	5,463,358
Miscellaneous	782,000	2,862,000	1,538,850	3,387,588	4,926,438	(2,064,438)	171,010	3,558,598
Total revenues	6,161,000	11,843,999	1,688,112	8,850,946	10,539,058	1,304,941	171,010	9,021,956
Expenditures								
Current - departmental:								
Library, recreation, and cultural services	40,000	40,000	12,235	9,518	21,753	18,247	0	9,518
Debt service	80,000	2,080,000	2,080,000	0	2,080,000	0	0	0
Capital outlay	65,143,297	57,259,457	18,524,448	14,306,237	32,830,685	24,428,772	0	14,306,237
Total expenditures	65,263,297	59,379,457	20,616,683	14,315,755	34,932,438	24,447,019	0	14,315,755
Excess (deficiency) of revenues over expenditures	(59,102,297)	(47,535,458)	(18,928,571)	(5,464,809)	(24,393,380)	(23,142,078)	171,010	(5,293,799)
Other financing sources (uses)								
Issuance of debt	0	898,912	0	0	0	898,912	0	0
Transfers in	7,638,000	9,808,000	9,438,000	370,000	9,808,000	0	0	370,000
Transfers out	(300,000)	(2,380,000)	(300,000)	(2,080,000)	(2,380,000)	0	0	(2,080,000)
Total other financing sources (uses)	7,338,000	7,428,000	9,138,000	(1,710,000)	7,428,000	0	0	(1,710,000)
Net change in fund balance	(51,764,297)	(40,107,458)	(9,790,571)	(7,174,809)	(16,965,380)	(23,142,078)	171,010	(7,003,799)
Fund balance, beginning of year	59,635,505	41,935,676	41,935,676	32,145,105	41,935,676	9,790,571	(136,209)	32,008,896
Fund balance, end of year	7,871,208	1,828,218	32,145,105	24,970,296	24,970,296	(13,351,507)	34,801	25,005,097

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	<u>Original</u>	<u>Final</u>	First Year <u>Actual</u>	Second Year <u>Actual</u>	<u>Total Actual</u>	Variance With <u>Final Budget</u>	Year 2 <u>Adjustment</u>	Year 2 GAAP <u>basis</u>
<u>Revenues</u>								
Charges for services	0	0	107,325	32,693	140,018	(140,018)	0	32,693
Miscellaneous	3,825	3,825	18,396	28,863	47,259	(43,434)	12,426	41,289
Total revenues	3,825	3,825	125,721	61,556	187,277	(183,452)	12,426	73,982
<u>Expenditures</u>								
Total expenditures	0	0	0	0	0	0	0	0
Excess (deficiency) of revenues over expenditures	3,825	3,825	125,721	61,556	187,277	(183,452)	12,426	73,982
<u>Other financing sources (uses)</u>								
Interfund loans issuance	1,400,000	1,400,000	0	1,400,000	1,400,000	0	(1,400,000)	0
Transfers out	(40,000)	(40,000)	0	0	0	(40,000)	0	0
Total other financing sources (uses)	1,360,000	1,360,000	0	1,400,000	1,400,000	(40,000)	(1,400,000)	0
Net change in fund balance	1,363,825	1,363,825	125,721	1,461,556	1,587,277	(223,452)	(1,387,574)	73,982
Fund balance, beginning of year	183,338	186,652	186,652	312,373	186,652	(125,721)	1,393,150	1,705,523
Fund balance, end of year	1,547,163	1,550,477	312,373	1,773,929	1,773,929	(349,173)	5,576	1,779,505

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
Revenues								
Rental income	100,000	100,000	0	0	0	100,000	0	0
Charges for services	16,920,000	16,920,000	7,239,145	5,055,149	12,294,294	4,625,706	0	5,055,149
Miscellaneous	874,812	874,812	1,497,669	1,598,228	3,095,897	(2,221,085)	199,021	1,797,249
Total revenues	17,894,812	17,894,812	8,736,814	6,653,377	15,390,191	2,504,621	199,021	6,852,398
Expenditures								
Current - departmental:								
Central services	0	0	0	0	0	0	60,492	60,492
Planning and development	411,754	411,713	177,311	119,270	296,581	115,132	0	119,270
Public works	1,052,808	1,246,627	487,500	590,450	1,077,950	168,677	0	590,450
Capital outlay	42,892,034	46,270,646	10,685,984	12,799,835	23,485,819	22,784,827	0	12,799,835
Total expenditures	44,356,596	47,928,986	11,350,795	13,509,555	24,860,350	23,068,636	60,492	13,570,047
Excess (deficiency) of revenues over expenditures	(26,461,784)	(30,034,174)	(2,613,981)	(6,856,178)	(9,470,159)	(20,564,015)	138,529	(6,717,649)
Other financing sources (uses)								
Transfers in	25,000	25,000	0	0	0	25,000	0	0
Transfers out	(121,000)	(271,000)	(60,493)	(210,492)	(270,985)	(15)	60,492	(150,000)
Total other financing sources (uses)	(96,000)	(246,000)	(60,493)	(210,492)	(270,985)	24,985	60,492	(150,000)
Net change in fund balance	(26,557,784)	(30,280,174)	(2,674,474)	(7,066,670)	(9,741,144)	(20,539,030)	199,021	(6,867,649)
Fund balance, beginning of year	41,590,932	39,214,917	39,214,917	36,540,443	39,214,917	2,674,474	(146,587)	36,393,856
Fund balance, end of year	15,033,148	8,934,743	36,540,443	29,473,773	29,473,773	(17,864,556)	52,434	29,526,207

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
Revenues								
Taxes	5,860,000	5,860,000	2,892,266	2,976,617	5,868,883	(8,883)	0	2,976,617
Intergovernmental	37,569,600	66,600,059	7,735,176	5,015,275	12,750,451	53,849,608	0	5,015,275
Rental income	70,000	70,000	0	0	0	70,000	0	0
Charges for services	128,000	172,900	73,954	30,535	104,489	68,411	0	30,535
Miscellaneous	318,000	318,000	739,014	761,551	1,500,565	(1,182,565)	131,338	892,889
Total revenues	43,945,600	73,020,959	11,440,410	8,783,978	20,224,388	52,796,571	131,338	8,915,316
Expenditures								
Debt service	0	310,000	38,339	17,984	56,323	253,677	0	17,984
Capital outlay	120,746,769	123,311,547	26,524,996	18,262,261	44,787,257	78,524,290	0	18,262,261
Total expenditures	120,746,769	123,621,547	26,563,335	18,280,245	44,843,580	78,777,967	0	18,280,245
Excess (deficiency) of revenues over expenditures	(76,801,169)	(50,600,588)	(15,122,925)	(9,496,267)	(24,619,192)	(25,981,396)	131,338	(9,364,929)
Other financing sources (uses)								
Issuance of debt	25,444,000	25,444,000	10,234,000	10,500,000	20,734,000	4,710,000	0	10,500,000
Transfers in	2,150,000	2,214,000	2,150,000	64,000	2,214,000	0	0	64,000
Total other financing sources (uses)	27,594,000	27,658,000	12,384,000	10,564,000	22,948,000	4,710,000	0	10,564,000
Net change in fund balance	(49,207,169)	(22,942,588)	(2,738,925)	1,067,733	(1,671,192)	(21,271,396)	131,338	1,199,071
Fund balance, beginning of year	50,363,162	25,024,245	25,024,245	22,285,320	25,024,245	2,738,925	(93,654)	22,191,666
Fund balance, end of year	1,155,993	2,081,657	22,285,320	23,353,053	23,353,053	(18,532,471)	37,684	23,390,737

City of Eugene, Oregon

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, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	<u>Original</u>	<u>Final</u>	<u>First Year Actual</u>	<u>Second Year Actual</u>	<u>Total Actual</u>	<u>Variance With Final Budget</u>	<u>Year 2 Adjustment</u>	<u>Year 2 GAAP basis</u>
<u>Revenues</u>								
Miscellaneous	36,000	36,000	89,224	173,791	263,015	(227,015)	18,488	192,279
Total revenues	36,000	36,000	89,224	173,791	263,015	(227,015)	18,488	192,279
<u>Expenditures</u>								
Debt service	64,000	134,000	77,440	48,320	125,760	8,240	0	48,320
Capital outlay	2,560,379	4,503,603	125,401	2,154,689	2,280,090	2,223,513	0	2,154,689
Special payments	2,133,333	2,133,333	1,066,667	1,066,666	2,133,333	0	(1,066,666)	0
Total expenditures	4,757,712	6,770,936	1,269,508	3,269,675	4,539,183	2,231,753	(1,066,666)	2,203,009
Excess (deficiency) of revenues over expenditures	(4,721,712)	(6,734,936)	(1,180,284)	(3,095,884)	(4,276,168)	(2,458,768)	1,085,154	(2,010,730)
<u>Other financing sources</u>								
Transfers in	2,197,333	4,322,333	2,850,181	1,112,526	3,962,707	359,626	0	1,112,526
Total other financing sources (uses)	2,197,333	4,322,333	2,850,181	1,112,526	3,962,707	359,626	0	1,112,526
Net change in fund balance	(2,524,379)	(2,412,603)	1,669,897	(1,983,358)	(313,461)	(2,099,142)	1,085,154	(898,204)
Fund balance, beginning of year	2,560,379	2,448,603	2,448,603	4,118,500	2,448,603	(1,669,897)	(1,083,062)	3,035,438
Fund balance, end of year	36,000	36,000	4,118,500	2,135,142	2,135,142	(3,769,039)	2,092	2,137,234

City of Eugene, Oregon

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, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
<u>Revenues</u>								
Miscellaneous	2,125,421	2,125,421	239,734	223,577	463,311	1,662,110	24,138	247,715
Total revenues	2,125,421	2,125,421	239,734	223,577	463,311	1,662,110	24,138	247,715
<u>Expenditures</u>								
Capital outlay	6,419,326	7,373,295	2,113,851	2,172,952	4,286,803	3,086,492	0	2,172,952
Special payments	2,000,000	2,000,000	0	2,000,000	2,000,000	0	(2,000,000)	0
Total expenditures	8,419,326	9,373,295	2,113,851	4,172,952	6,286,803	3,086,492	(2,000,000)	2,172,952
Excess (deficiency) of revenues over expenditures	(6,293,905)	(7,247,874)	(1,874,117)	(3,949,375)	(5,823,492)	(1,424,382)	2,024,138	(1,925,237)
<u>Other financing sources</u>								
Loss from sale of assets	0	0	0	0	0	0	(10,760)	(10,760)
Transfers in	0	2,197,000	0	1,759,131	1,759,131	437,869	0	1,759,131
Transfers out	(1,000,000)	(3,000,000)	(1,000,000)	0	(1,000,000)	(2,000,000)	0	0
Total other financing sources (uses)	(1,000,000)	(803,000)	(1,000,000)	1,759,131	759,131	(1,562,131)	(10,760)	1,748,371
Net change in fund balance	(7,293,905)	(8,050,874)	(2,874,117)	(2,190,244)	(5,064,361)	(2,986,513)	2,013,378	(176,866)
Fund balance, beginning of year	9,207,301	8,150,853	8,150,853	5,276,736	8,150,853	0	(1,230,289)	4,046,447
Fund balance, end of year	1,913,396	99,979	5,276,736	3,086,492	3,086,492	(2,986,513)	783,089	3,869,581

ENTERPRISE FUNDS

All of the City's enterprise funds meet the criteria for major fund reporting and are reported in Exhibits 6, 7, and 8 of the basic financial statements.

Schedules of revenues, expenses, and changes in fund net position - budget and actual are presented here for each individual enterprise fund.

Major Enterprise Funds:

Ambulance Transport Fund - To account for the operations of emergency medical services provided to the public. Revenues are provided by user charges.

Municipal Airport Fund - To account 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 - To account for 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.

Stormwater Utility Fund - To account for the operation, construction, 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 - To account for the operation, construction, and maintenance of the wastewater collection and treatment system. Primary revenues are wastewater user fees.

Enterprise Funds

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
<u>Revenues</u>								
Intergovernmental	7,370,000	9,742,146	1,863,589	6,774,654	8,638,243	1,103,903	0	6,774,654
Charges for services	21,037,900	21,283,445	9,978,999	10,350,839	20,329,838	953,607	0	10,350,839
Miscellaneous	2,918,900	3,873,100	1,537,460	427,013	1,964,473	1,908,627	(49,477)	377,536
Total revenues	31,326,800	34,898,691	13,380,048	17,552,506	30,932,554	3,966,137	(49,477)	17,503,029
<u>Expenses</u>								
Current - departmental:								
Central services	0	0	0	0	0	0	954,492	954,492
Fire and emergency medical services	29,066,920	33,782,907	15,881,670	16,354,856	32,236,526	1,546,381	121,826	16,476,682
Debt service	0	0	0	0	0	0	51,522	51,522
Depreciation/amortization	0	0	0	0	0	0	91,176	91,176
Total expenses	29,066,920	33,782,907	15,881,670	16,354,856	32,236,526	1,546,381	1,219,016	17,573,872
Excess (deficiency) of								
revenues over expenses	2,259,880	1,115,784	(2,501,622)	1,197,650	(1,303,972)	2,419,756	(1,268,493)	(70,843)
<u>Other financing sources (uses)</u>								
Transfers in	972,000	2,172,000	972,000	1,200,000	2,172,000	0	0	1,200,000
Transfers out	(2,822,000)	(2,822,000)	(1,867,493)	(954,492)	(2,821,985)	(15)	810,861	(143,631)
Total other financing sources (uses)	(1,850,000)	(650,000)	(895,493)	245,508	(649,985)	(15)	810,861	1,056,369
Change in net position								
Total net position, beginning of year	409,880	465,784	(3,397,115)	1,443,158	(1,953,957)	2,419,741	(457,632)	985,526
Total net position, end of year	1,009,024	528,743	528,743	(2,868,372)	528,743	3,397,115	(9,353,686)	(12,222,058)
	1,418,904	994,527	(2,868,372)	(1,425,214)	(1,425,214)	5,816,856	(9,811,318)	(11,236,532)

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
Revenues								
Licenses and permits	214,218	214,218	249,002	374,888	623,890	(409,672)	0	374,888
Intergovernmental	51,007,246	87,859,192	24,913,810	2,917,948	27,831,758	60,027,434	(2,901,841)	16,107
Rental income	8,322,141	8,322,141	5,156,127	5,316,482	10,472,609	(2,150,468)	(19,723)	5,296,759
Charges for services	42,318,338	42,318,338	21,821,504	24,399,515	46,221,019	(3,902,681)	(3,213,572)	21,185,943
Fines and forfeits	24,200	24,200	27,800	11,385	39,185	(14,985)	0	11,385
Miscellaneous	638,200	638,200	893,763	1,202,131	2,095,894	(1,457,694)	95,040	1,297,171
Total revenues	102,524,343	139,376,289	53,062,006	34,222,349	87,284,355	52,091,934	(6,040,096)	28,182,253
Expenses								
Current - departmental:								
Central services	0	0	0	0	0	0	757,500	757,500
Fire and emergency medical services	3,172,813	4,524,423	2,234,228	2,148,253	4,382,481	141,942	81,839	2,230,092
Police	2,738,377	2,737,225	1,355,285	1,356,797	2,712,082	25,143	43,091	1,399,888
Public works	27,494,307	29,222,307	13,346,863	14,046,295	27,393,158	1,829,149	(316,603)	13,729,692
Debt service	0	0	0	0	0	0	46,512	46,512
Capital outlay	91,837,209	119,633,674	33,484,140	13,939,537	47,423,677	72,209,997	(13,141,887)	797,650
Depreciation/amortization	0	0	0	0	0	0	9,425,078	9,425,078
Total expenses	125,242,706	156,117,629	50,420,516	31,490,882	81,911,398	74,206,231	(3,104,470)	28,386,412
Excess (deficiency) of revenues over expenses	(22,718,363)	(16,741,340)	2,641,490	2,731,467	5,372,957	(22,114,297)	(2,935,626)	(204,159)
Other financing sources (uses)								
Capital contributions	0	0	0	0	0	0	6,184,914	6,184,914
Transfers out	(1,515,000)	(1,515,000)	(757,500)	(757,500)	(1,515,000)	0	(306,872)	(1,064,372)
Total other financing sources (uses)	(1,515,000)	(1,515,000)	(757,500)	(757,500)	(1,515,000)	0	5,878,042	5,120,542
Change in net position	(24,233,363)	(18,256,340)	1,883,990	1,973,967	3,857,957	(22,114,297)	2,942,416	4,916,383
Total net position, beginning of year	54,456,232	27,808,288	27,808,288	29,692,278	27,808,288	(1,883,990)	142,635,831	172,328,109
Total net position, end of year	30,222,869	9,551,948	29,692,278	31,666,245	31,666,245	(23,998,287)	145,578,247	177,244,492

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
<u>Revenues</u>								
Licenses and permits	41,000	41,000	0	0	0	41,000	0	0
Rental income	1,610,000	1,610,000	678,307	798,722	1,477,029	132,971	(611)	798,111
Charges for services	11,872,700	11,917,700	4,730,767	4,930,426	9,661,193	2,256,507	0	4,930,426
Fines and forfeits	3,090,500	3,090,500	1,187,786	1,541,406	2,729,192	361,308	0	1,541,406
Miscellaneous	144,000	144,000	59,328	60,857	120,185	23,815	28,997	89,854
Total revenues	16,758,200	16,803,200	6,656,188	7,331,411	13,987,599	2,815,601	28,386	7,359,797
<u>Expenses</u>								
Current - departmental:								
Central services	1,041,603	1,041,603	403,754	491,462	895,216	146,387	426,185	917,647
Planning and development	12,473,445	12,710,662	5,967,475	5,912,775	11,880,250	830,412	126,261	6,039,036
Public works	92,977	92,977	28,065	53,524	81,589	11,388	942	54,466
Capital outlay	944,579	1,319,705	976,591	56,198	1,032,789	286,916	(56,198)	0
Debt service	16,600	36,600	17,787	15,402	33,189	3,411	11,681	27,083
Depreciation/amortization	0	0	0	0	0	0	718,878	718,878
Special payments	300,000	300,000	150,000	150,000	300,000	0	(150,000)	0
Total expenses	14,869,204	15,501,547	7,543,672	6,679,361	14,223,033	1,278,514	1,077,749	7,757,110
Excess (deficiency) of revenues over expenses								
	1,888,996	1,301,653	(887,484)	652,050	(235,434)	1,537,087	(1,049,363)	(397,313)
<u>Other financing sources (uses)</u>								
Transfers out	(1,233,000)	(955,500)	(516,496)	(416,496)	(932,992)	(22,508)	416,496	0
Total other financing sources (uses)	(1,233,000)	(955,500)	(516,496)	(416,496)	(932,992)	(22,508)	416,496	0
Change in net position								
	655,996	346,153	(1,403,980)	235,554	(1,168,426)	1,514,579	(632,867)	(397,313)
Total net position, beginning of year	1,581,930	1,730,771	1,730,771	326,791	1,730,771	1,403,980	11,937,576	12,264,367
Total net position, end of year	2,237,926	2,076,924	326,791	562,345	562,345	2,918,559	11,304,709	11,867,054

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
<u>Revenues</u>								
Licenses and permits	440,000	440,000	225,890	232,330	458,220	(18,220)	0	232,330
Intergovernmental	0	4,097,773	698,656	1,633,572	2,332,228	1,765,545	(1,425,991)	207,581
Rental income	42,103	42,103	22,388	7,052	29,440	12,663	1,064	8,116
Charges for services	48,022,739	48,497,739	23,840,842	26,801,348	50,642,190	(2,144,451)	(150)	26,801,198
Fines and forfeits	0	0	2,000	0	2,000	(2,000)	0	0
Miscellaneous	356,000	356,000	701,563	763,814	1,465,377	(1,109,377)	81,558	845,372
Total revenues	48,860,842	53,433,615	25,491,339	29,438,116	54,929,455	(1,495,840)	(1,343,519)	28,094,597
<u>Expenses</u>								
Current - departmental:								
Central services	0	173,000	0	166,264	166,264	6,736	1,073,242	1,239,506
Public works	45,193,774	47,463,285	20,864,922	23,775,235	44,640,157	2,823,128	242,907	24,018,142
Capital outlay	14,178,845	17,038,685	2,879,285	4,677,009	7,556,294	9,482,391	(4,397,485)	279,524
Debt service	0	0	0	0	0	0	66,190	66,190
Depreciation/amortization	0	0	0	0	0	0	2,865,698	2,865,698
Special payments	30,000	30,000	350	150	500	29,500	(150)	0
Total expenses	59,402,619	64,704,970	23,744,557	28,618,658	52,363,215	12,341,755	(149,598)	28,469,060
Excess (deficiency) of revenues over expenses								
	(10,541,777)	(11,271,355)	1,746,782	819,458	2,566,240	(13,837,595)	(1,193,921)	(374,463)
<u>Other financing sources (uses)</u>								
Capital contributions	0	0	0	0	0	0	12,099,425	12,099,425
Gain (loss) on sale of capital assets	0	0	0	0	0	0	5,925	5,925
Transfers out	(2,149,000)	(2,149,000)	(1,074,493)	(1,074,492)	(2,148,985)	(15)	1,058,673	(15,819)
Total other financing sources (uses)	(2,149,000)	(2,149,000)	(1,074,493)	(1,074,492)	(2,148,985)	(15)	13,164,023	12,089,531
Change in net position								
	(12,690,777)	(13,420,355)	672,289	(255,034)	417,255	(13,837,610)	11,970,102	11,715,068
Total net position, beginning of year	18,277,731	16,920,782	16,920,782	17,593,071	16,920,782	(672,289)	62,955,496	80,548,567
Total net position, end of year	5,586,954	3,500,427	17,593,071	17,338,037	17,338,037	(14,509,899)	74,925,598	92,263,635

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
<u>Revenues</u>								
Licenses and permits	33,000	33,000	1,750	32,258	34,008	(1,008)	0	32,258
Intergovernmental	0	6,000,000	7,815	808,289	816,104	5,183,896	(808,289)	0
Rental income	14,112	14,112	4,995	4,995	9,990	4,122	(144)	4,851
Charges for services	127,716,253	144,460,248	65,882,469	69,406,630	135,289,099	9,171,149	(29,829,303)	39,577,327
Fines and forfeits	12,000	12,000	6,000	5,210	11,210	790	0	5,210
Miscellaneous	295,500	295,500	349,441	379,386	728,827	(433,327)	37,072	416,458
Total revenues	128,070,865	150,814,860	66,252,470	70,636,768	136,889,238	13,925,622	(30,600,664)	40,036,104
<u>Expenses</u>								
Current - departmental:								
Central services	0	0	0	0	0	0	1,535,486	1,535,486
Public works	69,076,466	75,698,815	32,300,716	36,430,673	68,731,389	6,967,426	319,141	36,749,814
Capital outlay	12,054,353	17,276,689	2,071,972	5,023,326	7,095,298	10,181,391	(5,023,326)	0
Debt service	0	0	0	0	0	0	100,293	100,293
Depreciation/amortization	0	0	0	0	0	0	4,511,087	4,511,087
Special payments	55,000,000	61,956,100	29,760,615	29,829,302	59,589,917	2,366,183	(29,829,302)	0
Total expenses	136,130,819	154,931,604	64,133,303	71,283,301	135,416,604	19,515,000	(28,386,621)	42,896,680
Excess (deficiency) of								
revenues over expenses	(8,059,954)	(4,116,744)	2,119,167	(646,533)	1,472,634	(5,589,378)	(2,214,043)	(2,860,576)
<u>Other financing sources (uses)</u>								
Capital contributions	0	0	0	0	0	0	5,359,316	5,359,316
Transfers out	(3,071,000)	(3,138,000)	(1,535,486)	(1,602,484)	(3,137,970)	(30)	1,296,115	(306,369)
Total other financing sources (uses)	(3,071,000)	(3,138,000)	(1,535,486)	(1,602,484)	(3,137,970)	(30)	6,655,431	5,052,947
Change in net position								
Change in net position	(11,130,954)	(7,254,744)	583,681	(2,249,017)	(1,665,336)	(5,589,408)	4,441,388	2,192,371
Total net position, beginning of year	12,445,358	9,131,078	9,131,078	9,714,759	9,131,078	(583,681)	61,082,804	70,797,563
Total net position, end of year	1,314,404	1,876,334	9,714,759	7,465,742	7,465,742	(6,173,089)	65,524,192	72,989,934

INTERNAL SERVICE FUNDS

Combining statements for all internal service funds are reported here. The combined totals are reported alongside the individual enterprise funds in Exhibits 6, 7, and 8 of the basic financial statements.

Schedules of revenues, expenses, and changes in fund net position - budget and actual are also presented here for each individual internal service fund.

Nonmajor Internal Service Funds:

Facilities Services Fund - To account for facility maintenance services on City buildings. Facility maintenance rates and rental rates are charged on the basis of square footage and are set to recover the full cost of services provided.

Fleet Services Fund - To account for the purchase of vehicles and equipment and the maintenance thereon. Fleet user charges cover vehicle and equipment maintenance expenses as well as the replacement of vehicles and equipment sold or removed from use.

Information Systems and Services Fund - To account for data processing and reproduction, equipment acquisition and maintenance, postage, telephone, and printing/graphic services provided to other City funds. The fund also accounts for the implementation and maintenance of public safety information systems and central business software applications. User charges cover the cost of operations and supplies.

Professional Services Fund - To account for engineering services performed by public works personnel for other City funds. Revenues are provided by charges for these services.

Risk and Benefits Fund - To account for costs of the City's self-insurance program. The City is self-insured for workers' compensation, unemployment compensation, general liability, and employee medical and dental insurance. An actuarial valuation is the basis for recording the claims liability. User charges are based on actual experience or an estimate, depending on the nature of the insurance. This fund also accounts for the accumulation of resources for and payment of the City's pension bonds and other post employment benefits.

City of Eugene, Oregon

Combining Statement of Net Position

All Internal Service Funds

June 30, 2025

(amounts in dollars)

	Facilities	Fleet	Information	Professional	Risk and	
	Services	Services	Systems and	Services	Benefits	Total
<u>Assets</u>						
<u>Current assets</u>						
Equity in pooled cash and investments	6,810,323	26,219,380	8,463,679	955,169	55,592,134	98,040,685
Receivables:						
Accounts	1,830	387,010	0	147,188	159,257	695,285
Leases	22,561	0	0	0	0	22,561
Allowance for uncollectibles	0	(5,525)	0	(8,652)	(2,744)	(16,921)
Due from other governments	0	0	216,216	225	0	216,441
Interfund loans receivable	150,000	0	0	0	0	150,000
Prepays and deposits	0	0	75,986	2	0	75,988
Total current assets	6,984,714	26,600,865	8,755,881	1,093,932	55,748,647	99,184,039
<u>Noncurrent assets</u>						
Advances to other funds	40,000	0	0	0	0	40,000
Net OPEB asset	91,055	55,023	65,576	107,699	36,340	355,693
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	6,177,136	72,880,978	1,266,934	387,387	244,044	80,956,479
Construction in progress	50,428	4,256,009	0	0	0	4,306,437
Intangibles	0	0	14,290,664	1,644,350	58,420	15,993,434
Accumulated depreciation/amortization	(3,086,022)	(46,115,260)	(13,622,905)	(597,170)	(202,153)	(63,623,510)
Total noncurrent assets	3,272,597	31,584,497	2,000,269	1,542,266	136,651	38,536,280
<u>Deferred outflows of resources</u>						
Related to pensions	2,740,865	1,639,304	2,436,093	3,026,670	1,264,406	11,107,338
Related to OPEB	100,585	56,075	40,775	83,627	30,354	311,416
Total deferred outflows of resources	2,841,450	1,695,379	2,476,868	3,110,297	1,294,760	11,418,754
Total assets and deferred outflows of resources	13,098,761	59,880,741	13,233,018	5,746,495	57,180,058	149,139,073
<u>Liabilities</u>						
<u>Current liabilities</u>						
Accounts payable	172,526	329,140	191,380	2,899	123,554	819,499
Wages payable	308,869	186,959	424,352	395,271	2,279,826	3,595,277
Compensated absences payable	561,947	346,295	508,052	554,302	210,501	2,181,097
Due to other governments	255,806	0	0	12,307	63,504	331,617
Claims payable	0	0	0	0	16,594,000	16,594,000
Deposits	880	1	0	0	111,495	112,376
Due to other funds	0	0	0	0	0	0
Interest payable	4,096	2,425	18,982	4,383	14,751	44,637
Unearned revenue	0	0	0	0	0	0
Leases payable	0	0	91,794	136,495	0	228,289
Subscription payable	0	0	384,318	0	0	384,318
OPEB current liability	23,734	41,865	44,064	13,710	43,143	166,516
Bonds payable	142,710	0	0	151,998	0	294,708
Total current liabilities	1,470,568	906,685	1,662,942	1,271,365	19,440,774	24,752,334
<u>Noncurrent liabilities</u>						
Compensated absences payable	3,935	30,094	324,370	0	120,717	479,116
Leases payable	0	0	250,245	1,314,235	0	1,564,480
Subscription payable	0	0	293,413	0	0	293,413
Bonds payable (net of unamortized discount/premium)	411,051	326,666	263,749	437,805	5,005,249	6,444,520
Net pension liability	6,901,757	4,258,907	4,852,543	8,447,497	3,141,777	27,602,481
Total OPEB liability	514,474	252,156	239,200	425,820	4,259,943	5,691,593
Total noncurrent liabilities	7,831,217	4,867,823	6,223,520	10,625,357	12,527,686	42,075,603
Total liabilities	9,301,785	5,774,508	7,886,462	11,896,722	31,968,460	66,827,937
<u>Deferred inflows of resources</u>						
Related to leases	21,771	0	0	0	0	21,771
Related to pensions	640,689	316,880	390,181	188,716	187,737	1,724,203
Related to OPEB	209,197	117,290	116,548	194,415	61,916	699,366
Total deferred inflows of resources	871,657	434,170	506,729	383,131	249,653	2,445,340
Total liabilities and deferred inflows of resources	10,173,442	6,208,678	8,393,191	12,279,853	32,218,113	69,273,277
<u>Net position</u>						
Net investment in capital assets	3,141,542	31,529,475	914,924	(16,164)	100,311	35,670,088
Net OPEB asset	91,055	55,023	65,576	107,699	36,340	355,693
Unrestricted	(307,278)	22,087,565	3,859,327	(6,624,893)	24,825,294	43,840,015
Total net position	2,925,319	53,672,063	4,839,827	(6,533,358)	24,961,945	79,865,796

City of Eugene, Oregon

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

All Internal Service Funds

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Facilities Services	Fleet Services	Information Systems and Services	Professional Services	Risk and Benefits	Total
Operating revenues						
Licenses and permits	0	0	0	0	98,743	98,743
Rental income	689,338	0	0	0	0	689,338
Charges for services	13,825,780	13,658,720	16,878,188	10,665,362	48,097,268	103,125,318
Miscellaneous	44,052	240,586	0	22	221,660	506,320
Total operating revenues	14,559,170	13,899,306	16,878,188	10,665,384	48,417,671	104,419,719
Operating expenses						
Personnel services	6,038,897	3,538,039	7,847,355	6,774,973	2,995,525	27,194,789
Contractual services	1,306,861	1,097,946	2,109,477	95,167	2,792,527	7,401,978
Materials and supplies	821,671	2,516,433	4,473,492	263,386	73,579	8,148,561
Maintenance	1,656,512	830,412	407,772	679,253	497,820	4,071,769
Utilities	3,341,113	8,457	235,843	37,705	19,188	3,642,306
Rent	(2,472)	50	74,712	21,994	51,309	145,593
Taxes	876	0	0	0	0	876
Insurance	66,924	732,336	83,256	77,988	5,046,741	6,007,245
Claims	0	241	0	0	37,082,116	37,082,357
Central business functions	466,488	394,500	344,988	799,992	94,992	2,100,960
Depreciation/amortization	158,513	3,687,220	1,307,222	188,824	50,118	5,391,897
Pension expense	1,166,098	647,176	1,527,593	1,420,652	513,038	5,274,557
Total operating expenses	15,021,481	13,452,810	18,411,710	10,359,934	49,216,953	106,462,888
Operating income (loss)	(462,311)	446,496	(1,533,522)	305,450	(799,282)	(2,043,169)
Nonoperating revenues (expenses)						
Interest revenue	336,070	1,363,624	436,202	(10,781)	3,003,685	5,128,800
Interest expense	(37,933)	(22,377)	(61,617)	(75,876)	(342,857)	(540,660)
Gain (loss) on sale of capital assets	0	265,083	178	0	0	265,261
Intergovernmental	0	15,731	0	0	19,545	35,276
Total nonoperating revenues (expenses)	298,137	1,622,061	374,763	(86,657)	2,680,373	4,888,677
Income (loss) before capital contributions and transfers	(164,174)	2,068,557	(1,158,759)	218,793	1,881,091	2,845,508
Capital contributions	0	1,316,045	0	0	0	1,316,045
Transfers in	0	1,530,010	0	0	18,492	1,548,502
Transfers out	0	0	0	(70,367)	(153,000)	(223,367)
Total other financing sources (uses)	0	2,846,055	0	(70,367)	(134,508)	2,641,180
Change in net position	(164,174)	4,914,612	(1,158,759)	148,426	1,746,583	5,486,688
Total net position, beginning of year	3,089,493	48,757,451	5,998,586	(6,681,784)	23,215,362	74,379,108
Total net position, end of year	2,925,319	53,672,063	4,839,827	(6,533,358)	24,961,945	79,865,796

City of Eugene, Oregon

Combining Statement of Cash Flows*All Internal Service Funds*

For the fiscal year ended June 30, 2025

(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	709,288	(108,967)	15,172,540	459,495	8,502,966	24,735,322
Cash received from interfund services provided	13,776,484	13,660,037	1,774,055	10,360,099	40,101,314	79,671,989
Cash paid to suppliers for goods and services	(6,225,247)	(3,762,677)	(5,646,095)	(446,170)	(47,526,526)	(63,606,715)
Cash paid to employees for services	(5,703,951)	(3,306,695)	(7,831,001)	(6,761,540)	(2,709,534)	(26,312,721)
Cash paid for interfund services used	(1,894,876)	(1,885,971)	(1,445,185)	(1,768,162)	(534,049)	(7,528,243)
Cash paid for central business functions	(466,488)	(394,500)	(344,988)	(799,992)	(94,992)	(2,100,960)
Net cash provided by (used for) operating activities	195,210	4,201,227	1,679,326	1,043,730	(2,260,821)	4,858,672
<u>Cash flows from noncapital financing activities</u>						
Transfers in	0	141	0	0	18,492	18,633
Transfers out	0	0	0	(70,367)	(153,000)	(223,367)
Principal payments on pension bonds	0	0	0	0	0	0
Interest payments on pension bonds	(37,933)	(22,377)	17,046	(75,876)	(342,857)	(461,997)
Subsidy from grant	0	15,731	0	0	19,545	35,276
Net cash provided by (used for) noncapital financing activities	(37,933)	(6,505)	17,046	(146,243)	(457,820)	(631,455)
<u>Cash flows from capital and related financing activities</u>						
Advances to other funds	150,000	0	0	0	0	150,000
Proceeds from sale of capital assets	0	361,805	179	0	0	361,984
Principal payments on leases, bonds, and certificates	0	0	(260,721)	(128,494)	0	(389,215)
Interest payments on leases, bonds, and certificates	0	0	(61,616)	0	0	(61,616)
Acquisition and construction of capital assets	(45,287)	(6,958,346)	(1,577,150)	(29,453)	0	(8,610,236)
Net cash provided by (used for) capital and related financing activities	104,713	(6,596,541)	(1,899,308)	(157,947)	0	(8,549,083)
<u>Cash flows from investing activities</u>						
Interest revenue	336,070	1,363,624	436,202	(10,781)	3,003,685	5,128,800
Repayment of lease and notes receivable	21,789	1,546,666	0	0	0	1,568,455
Net cash provided by (used for) investing activities	357,859	2,910,290	436,202	(10,781)	3,003,685	6,697,255
Net increase (decrease) in cash	619,849	508,471	233,266	728,759	285,044	2,375,389
Cash, July 1, 2024	6,190,474	25,710,909	8,230,413	226,410	55,307,090	95,665,296
Cash, June 30, 2025	6,810,323	26,219,380	8,463,679	955,169	55,592,134	98,040,685

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)	(462,311)	446,496	(1,533,522)	305,450	(799,282)	(2,043,169)
<u>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities</u>						
Depreciation/amortization	158,513	3,687,220	1,307,222	188,824	50,118	5,391,897
(Increase) Decrease in accounts receivable	5,470	(369,973)	0	(15,720)	(23,810)	(404,033)
Increase (Decrease) in allowance for uncollectibles	(3,650)	33	0	6,029	0	2,412
(Increase) Decrease in due from other governments	0	21,703	68,407	23,901	175,120	289,131
(Increase) Decrease in prepaids and deposits	0	0	1,303,264	140,000	37,500	1,480,764
(Increase) Decrease in deferred outflows related to pensions	(549,679)	(305,068)	(936,926)	(1,059,852)	(241,838)	(3,093,363)
(Increase) Decrease in deferred outflows related to OPEB	34,535	18,523	31,100	32,676	10,133	126,967
Increase (Decrease) in deferred inflows related to pensions	132,318	73,435	390,181	551,382	58,215	1,205,531
Increase (Decrease) in deferred inflows related to OPEB	42,995	23,141	40,465	41,841	13,239	161,681
Increase (Decrease) in net pension liability	632,546	351,059	828,636	766,289	278,294	2,856,824
Increase (Decrease) in accounts payable	91,004	113,330	16,398	(3,930)	(62,990)	153,812
Increase (Decrease) in wages payable	41,045	43,957	69,379	19,401	307,864	481,646
Increase (Decrease) in compensated absences payable	160,952	123,398	166,279	78,855	61,700	591,184
Increase (Decrease) in deferred inflows related to leases	(21,772)	0	0	0	0	(21,772)
Increase (Decrease) in net OPEB liability	(48,215)	(26,028)	(47,090)	(43,723)	(15,461)	(180,517)
Increase (Decrease) in claims payable	0	0	0	0	(2,152,506)	(2,152,506)
Increase (Decrease) in deposits	(500)	1	0	0	35,299	34,800
Increase (Decrease) in due to other funds	0	0	0	0	0	0
Increase (Decrease) in due to other governments	34,905	0	(24,467)	12,307	7,584	30,329
Increase (Decrease) in unearned revenue	(52,946)	0	0	0	0	(52,946)
Net cash provided by (used for) operating activities	195,210	4,201,227	1,679,326	1,043,730	(2,260,821)	4,858,672

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
<u>Revenues</u>								
Licenses and permits	0	0	(6,864)	0	(6,864)	6,864	0	0
Intergovernmental	0	0	5,351	0	5,351	(5,351)	0	0
Rental income	1,429,762	1,429,762	771,563	636,586	1,408,149	21,613	52,752	689,338
Charges for services	27,993,033	27,908,033	13,963,674	13,825,780	27,789,454	118,579	0	13,825,780
Miscellaneous	130,600	130,600	283,110	344,073	627,183	(496,583)	36,049	380,122
Total revenues	29,553,395	29,468,395	15,016,834	14,806,439	29,823,273	(354,878)	88,801	14,895,240
<u>Expenses</u>								
Current - departmental:								
Central services	28,625,319	28,540,319	13,201,205	13,515,910	26,717,115	1,823,204	818,133	14,334,043
Planning and development	1,396,325	1,359,186	415,304	492,038	907,342	451,844	4,138	496,176
Debt service	0	0	0	0	0	0	37,933	37,933
Capital outlay	1,648,643	1,648,643	5,141	66,299	71,440	1,577,203	(33,550)	32,749
Depreciation/amortization	0	0	0	0	0	0	158,513	158,513
Total expenses	31,670,287	31,548,148	13,621,650	14,074,247	27,695,897	3,852,251	985,167	15,059,414
Excess (deficiency) of revenues over expenses								
	(2,116,892)	(2,079,753)	1,395,184	732,192	2,127,376	(4,207,129)	(896,366)	(164,174)
<u>Other financing sources (uses)</u>								
Interfund loan proceeds	300,000	300,000	150,000	150,000	300,000	0	(150,000)	0
Transfers out	(933,000)	(933,000)	(466,489)	(466,488)	(932,977)	(23)	466,488	0
Total other financing sources (uses)	(633,000)	(633,000)	(316,489)	(316,488)	(632,977)	(23)	316,488	0
Change in net position								
	(2,749,892)	(2,712,753)	1,078,695	415,704	1,494,399	(4,207,152)	(579,878)	(164,174)
Total net position, beginning of year	4,742,520	4,568,245	4,568,245	5,646,940	4,568,245	(1,078,695)	(2,557,447)	3,089,493
Total net position, end of year	1,992,628	1,855,492	5,646,940	6,062,644	6,062,644	(5,285,847)	(3,137,325)	2,925,319

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
Revenues								
Intergovernmental	274,674	274,674	142,611	15,731	158,342	116,332	1	15,732
Charges for services	25,938,190	25,938,190	12,238,908	13,658,720	25,897,628	40,562	0	13,658,720
Miscellaneous	1,301,502	1,301,502	1,901,635	1,819,477	3,721,112	(2,419,610)	(215,267)	1,604,210
Total revenues	27,514,366	27,514,366	14,283,154	15,493,928	29,777,082	(2,262,716)	(215,266)	15,278,662
Expenses								
Current - departmental:								
Central services	0	0	0	0	0	0	394,500	394,500
Public works	38,449,268	37,736,605	14,718,175	16,093,212	30,811,387	6,925,218	(6,722,122)	9,371,090
Debt service	0	0	0	0	0	0	22,377	22,377
Depreciation/amortization	0	0	0	0	0	0	3,687,220	3,687,220
Total expenses	38,449,268	37,736,605	14,718,175	16,093,212	30,811,387	6,925,218	(2,618,025)	13,475,187
Excess (deficiency) of revenues over expenses	(10,934,902)	(10,222,239)	(435,021)	(599,284)	(1,034,305)	(9,187,934)	2,402,759	1,803,475
Other financing sources (uses)								
Capital contributions	0	0	0	0	0	0	1,316,045	1,316,045
Interfund loan proceeds	2,373,333	2,373,333	1,186,667	1,546,666	2,733,333	(360,000)	(1,546,666)	0
Gain (loss) on sale of capital assets	0	0	0	0	0	0	265,082	265,082
Transfers in	4,042,000	4,042,000	4,042,000	0	4,042,000	0	1,529,869	1,529,869
Transfers out	(789,000)	(789,000)	(394,500)	(394,500)	(789,000)	0	394,641	141
Total other financing sources (uses)	5,626,333	5,626,333	4,834,167	1,152,166	5,986,333	(360,000)	1,958,971	3,111,137
Change in net position	(5,308,569)	(4,595,906)	4,399,146	552,882	4,952,028	(9,547,934)	4,361,730	4,914,612
Total net position, beginning of year	21,932,583	21,087,733	21,087,733	25,486,879	21,087,733	(4,399,146)	23,270,572	48,757,451
Total net position, end of year	16,624,014	16,491,827	25,486,879	26,039,761	26,039,761	(13,947,080)	27,632,302	53,672,063

City of Eugene, Oregon

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, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
Revenues								
Intergovernmental	0	0	984	0	984	(984)	0	0
Charges for services	33,699,509	33,629,509	15,654,160	16,878,188	32,532,348	1,097,161	0	16,878,188
Miscellaneous	184,000	184,000	338,684	389,495	728,179	(544,179)	46,707	436,202
Total revenues	33,883,509	33,813,509	15,993,828	17,267,683	33,261,511	551,998	46,707	17,314,390
Expenses								
Current - departmental:								
Central services	34,444,744	34,566,269	14,753,405	16,865,850	31,619,255	2,947,014	282,188	17,148,038
Debt service	0	0	0	0	0	0	18,067	18,067
Depreciation/amortization	0	0	0	0	0	0	1,307,222	1,307,222
Total expenses	34,444,744	34,566,269	14,753,405	16,865,850	31,619,255	2,947,014	1,607,477	18,473,327
Excess (deficiency) of revenues over expenses	(561,235)	(752,760)	1,240,423	401,833	1,642,256	(2,395,016)	(1,560,770)	(1,158,937)
Other financing sources (uses)								
Gain (loss) on sale of capital assets	0	0	0	0	0	0	178	178
Transfers in	0	200,000	200,000	0	200,000	0	0	0
Transfers out	(690,000)	(690,000)	(344,989)	(344,988)	(689,977)	(23)	344,988	0
Total other financing sources (uses)	(690,000)	(490,000)	(144,989)	(344,988)	(489,977)	(23)	345,166	178
Change in net position	(1,251,235)	(1,242,760)	1,095,434	56,845	1,152,279	(2,395,039)	(1,215,604)	(1,158,759)
Total net position, beginning of year	7,334,919	6,897,713	6,897,713	7,993,147	6,897,713	(1,095,434)	(1,994,561)	5,998,586
Total net position, end of year	6,083,684	5,654,953	7,993,147	8,049,992	8,049,992	(3,490,473)	(3,210,165)	4,839,827

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
<u>Revenues</u>								
Charges for services	27,176,936	27,176,936	9,945,172	10,665,362	20,610,534	6,566,402	0	10,665,362
Miscellaneous	0	0	(9,863)	(12,863)	(22,726)	22,726	(4,695)	(17,558)
Total revenues	27,176,936	27,176,936	9,935,309	10,652,499	20,587,808	6,589,128	(4,695)	10,647,804
<u>Expenses</u>								
Current - departmental:								
Central services	0	0	0	0	0	0	799,992	799,992
Public works	24,955,299	24,910,628	9,890,325	9,167,841	19,058,166	5,852,462	238,752	9,406,593
Debt service	0	0	0	0	0	0	40,402	40,402
Depreciation/amortization	0	0	0			0	188,824	188,824
Total expenses	24,955,299	24,910,628	9,890,325	9,167,841	19,058,166	5,852,462	1,267,970	10,435,811
Excess (deficiency) of revenues over expenses								
	2,221,637	2,266,308	44,984	1,484,658	1,529,642	736,666	(1,272,665)	211,993
<u>Other financing sources (uses)</u>								
Gain (loss) on sale of capital assets	0	0	0	0	0	0	6,800	6,800
Transfers in	0	0	0	0	0	0	0	0
Transfers out	(1,600,000)	(1,600,000)	(799,993)	(799,992)	(1,599,985)	(15)	729,625	(70,367)
Total other financing sources (uses)	(1,600,000)	(1,600,000)	(799,993)	(799,992)	(1,599,985)	(15)	736,425	(63,567)
Change in net position								
	621,637	666,308	(755,009)	684,666	(70,343)	736,651	(536,240)	148,426
Total net position, beginning of year	109,049	752,566	752,566	(2,443)	752,566	755,009	(6,679,341)	(6,681,784)
Total net position, end of year	730,686	1,418,874	(2,443)	682,223	682,223	1,491,660	(7,215,581)	(6,533,358)

City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
<u>Revenues</u>								
Licenses and permits	0	0	0	98,743	98,743	(98,743)	0	98,743
Intergovernmental	558,000	837,369	737,678	139,150	876,828	(39,459)	(119,605)	19,545
Charges for services	118,008,831	118,008,831	53,489,494	49,985,907	103,475,401	14,533,430	(1,888,640)	48,097,267
Miscellaneous	1,344,320	1,344,320	2,748,167	4,524,876	7,273,043	(5,928,723)	(1,299,531)	3,225,345
Total revenues	119,911,151	120,190,520	56,975,339	54,748,676	111,724,015	8,466,505	(3,307,776)	51,440,900
<u>Expenses</u>								
Current - departmental:								
Central services	104,686,137	104,965,506	47,870,609	51,247,472	99,118,081	5,847,425	(2,080,638)	49,166,834
Debt service	10,426,118	10,426,118	8,837,945	1,588,173	10,426,118	0	(1,245,316)	342,857
Depreciation/amortization	0	0	0	0	0	0	50,118	50,118
Total expenses	115,112,255	115,391,624	56,708,554	52,835,645	109,544,199	5,847,425	(3,275,836)	49,559,809
Excess (deficiency) of								
revenues over expenses	4,798,896	4,798,896	266,785	1,913,031	2,179,816	2,619,080	(31,940)	1,881,091
<u>Other financing sources (uses)</u>								
Transfers in	37,000	37,000	18,493	18,492	36,985	15	0	18,492
Transfers out	(190,000)	(343,000)	(94,993)	(247,992)	(342,985)	(15)	94,992	(153,000)
Total other financing sources (uses)	(153,000)	(306,000)	(76,500)	(229,500)	(306,000)	0	94,992	(134,508)
Change in net position								
Change in net position	4,645,896	4,492,896	190,285	1,683,531	1,873,816	2,619,080	63,052	1,746,583
Total net position, beginning of year	32,262,518	33,604,289	33,604,289	33,794,574	33,604,289	(190,285)	(10,579,212)	23,215,362
Total net position, end of year	36,908,414	38,097,185	33,794,574	35,478,105	35,478,105	2,428,795	(10,516,160)	24,961,945

OTHER SUPPLEMENTARY SCHEDULES

City of Eugene, Oregon

Schedule of Bonded Debt Transactions

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Interest rates	Issue date	Maturity date	Amount issued/ authorized	Outstanding June 30, 2024		Fiscal Year 2024-2025			Outstanding June 30, 2025		
					Matured	Unmatured	Incurred	Matured	Redeemed	Matured	Unmatured	
<u>Governmental Activities</u>												
<u>General obligation bonds</u>												
General Obligation and Refunding Bonds, Series 2016	2.000% to	6/28/16	6/1/26	10,125,000	0	800,000	0	400,000	400,000	0	400,000	
Interest	5.000%			1,229,363	0	36,000	0	24,000	24,000	0	12,000	
Premium				808,196	0	23,622	0	17,717	17,717	0	5,905	
General Obligation, Series 2019A (tax-exempt)	3.000% to	2/6/19	6/1/38	23,620,000	0	20,660,000	0	1,480,000	1,480,000	0	19,180,000	
Interest	5.000%			9,377,166	0	4,899,693	0	713,931	713,931	0	4,185,762	
Premium				1,348,667	0	1,101,314	0	151,748	151,748	0	949,566	
General Obligation, Series 2023A (tax-exempt)	5.000%	5/16/23	6/1/43	5,405,000	0	5,405,000	0	0	0	0	5,405,000	
Interest				4,339,260	0	4,057,750	0	270,250	270,250	0	3,787,500	
Premium				991,202	0	941,863	0	96,160	96,160	0	845,703	
General Obligation, Series 2023B (taxable)	4.000% to	5/16/23	6/1/35	7,045,000	0	6,445,000	0	605,000	605,000	0	5,840,000	
Interest	5.000%			1,671,131	0	1,348,881	0	274,681	274,681	0	1,074,200	
G.O. Bond and Revolving Credit Facility (Street 2024)	1.500%	3/19/24	6/1/29	11,300,000	0	800,000	10,500,000	11,300,000	11,300,000	0	0	
Subtotal general obligation bonds				77,259,985	0	46,519,123	10,500,000	15,333,487	15,333,487	0	41,685,636	
<u>Limited tax bonds</u>												
Limited Tax Pension Bonds, Series 2002	2.000% to	3/15/02	6/1/28	69,613,281	0	19,152,926	0	0	0	0	19,152,926	
Interest	7.410%			85,352,417	0	3,728,816	0	1,311,975	1,311,975	0	2,416,841	
Discount				(13,653,848)	0	0	0	0	0	0	0	
Limited Tax Riverfront Bonds, Series 2020	1.840%	6/16/20	6/1/30	12,000,000	0	7,455,000	0	1,187,000	1,187,000	0	6,268,000	
Interest				1,237,584	0	487,379	0	137,172	137,172	0	350,207	
Subtotal limited tax bonds				154,549,434	0	30,824,121	0	2,636,147	2,636,147	0	28,187,974	
Total bonded debt - governmental activities				231,809,419	0	77,343,244	10,500,000	17,969,634	17,969,634	0	69,873,610	
<u>Bonded debt - governmental activities</u>												
Principal				128,602,498	0	62,784,725	10,500,000	15,237,625	15,237,625	0	58,047,100	
Interest				103,206,921	0	14,558,519	0	2,732,009	2,732,009	0	11,826,510	
Total bonded debt - governmental activities				231,809,419	0	77,343,244	10,500,000	17,969,634	17,969,634	0	69,873,610	

continued

	Issued interest rates	Issue date	Maturity date	Amount issued/ authorized	Outstanding June 30, 2024		Fiscal Year 2024-2025			Outstanding June 30, 2025	
					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	3/15/02	6/1/28	14,721,719	0	4,032,074	0	0	0	0	4,032,074
Interest	7.410%			18,050,209	0	784,991	0	276,197	276,197	0	508,794
Discount				(2,887,496)	0	0	0	0	0	0	0
Subtotal limited tax bonds				29,884,432	0	4,817,065	0	276,197	276,197	0	4,540,868
Total bonded debt - business-type activities				29,884,432	0	4,817,065	0	276,197	276,197	0	4,540,868
<u>Bonded debt - business-type activities</u>											
Principal				11,834,223	0	4,032,074	0	0	0	0	4,032,074
Interest				18,050,209	0	784,991	0	276,197	276,197	0	508,794
Total bonded debt - business-type activities				29,884,432	0	4,817,065	0	276,197	276,197	0	4,540,868
<u>Total bonded debt</u>											
Principal				140,436,721	0	66,816,799	10,500,000	15,237,625	15,237,625	0	62,079,174
Interest				121,257,130	0	15,343,510	0	3,008,206	3,008,206	0	12,335,304
Total bonded debt				261,693,851	0	82,160,309	10,500,000	18,245,831	18,245,831	0	74,414,478

STATISTICAL SECTION

This part of the City of Eugene's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends (Schedules I-1 to I-4)

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. The City's Net Position by Component, Changes in Net Position, Fund Balances for Governmental Funds, and Changes in Governmental Fund Balances are displayed for the last ten fiscal years.

Revenue Capacity (Schedules I-5 to I-8)

These schedules contain information to help the reader assess the factors affecting the City's ability to generate property taxes. The Taxable Assessed value and Actual Value of Property, Direct and Overlapping property tax rates, Property Tax Levies and Collections and Ten Principal Property Taxpayers are displayed over the last ten fiscal years.

Debt Capacity (Schedules I-9 to I-12)

These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future. The Ratio of Outstanding Debt by Type, Ratio of General Bonded Debt Outstanding, Direct and Overlapping Governmental Activities Debt, and Legal Debt Margin for GO Bonded Debt are shown over last ten fiscal years.

Demographic and Economic Information (Schedules I-13 - I-14)

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments. These schedules provide population, unemployment rates for the City and Lane County over the last ten fiscal years. In addition, the ten principal taxpayers are shown for the current year and nine years ago.

Operating Information (Schedules I-15 to I-17)

These schedules contain information about the City's operation and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs. City employees are summarized by department and shown over the last ten fiscal years. In addition, various operating indicators as well as capital asset statistic are displayed for each department over the last ten fiscal years.

City of Eugene, Oregon

Net Position by Component*Last ten fiscal years - unaudited*

(amounts in dollars)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	410,543,209	440,261,060	452,067,031	422,441,689	448,845,542	475,554,255	535,140,195	562,071,563	567,334,302	618,229,436
Restricted for:										
Net OPEB Asset	0	0	0	0	0	0	0	0	3,045,953	3,169,372
Capital projects	46,145,952	51,263,068	59,912,128	136,657,334	122,055,131	108,463,659	76,592,204	83,404,824	71,528,263	63,710,342
Debt service	1,895,999	2,260,859	1,952,510	1,147,169	12,356,203	1,582,614	1,833,748	1,077,333	1,406,644	1,440,071
Community development	13,418,343	12,738,689	12,470,309	13,560,404	14,574,669	13,988,188	14,968,616	12,455,063	12,117,129	14,398,884
Road operation and maintenance							9,531,125	12,063,371	9,874,499	10,805,636
Urban renewal	16,307,150	18,807,872	19,561,689	23,391,069	22,763,610	23,134,543	14,924,259	19,573,872	23,064,391	23,277,656
Public safety										3,288,513
Culture, parks, and recreation										18,289,671
Other purposes	5,228,628	6,641,211	9,849,088	17,623,105	18,111,763	20,837,132	14,502,409	14,892,140	17,396,018	0
Unrestricted	25,577,165	19,570,935	(10,499,250)	(23,076,561)	(45,670,126)	(67,821,143)	(21,484,001)	(30,893,151)	(3,351,934)	(32,263,412)
Total governmental activities net position	519,116,446	551,543,694	545,313,505	591,744,209	593,036,792	575,739,248	646,008,555	674,645,015	702,415,265	724,346,169
Business-type activities										
Net investment in capital assets	251,116,579	257,080,368	257,404,328	256,571,551	269,991,226	275,756,078	277,869,142	290,068,759	317,806,040	338,779,028
Restricted for:										
Net OPEB Asset									749,907	781,160
Capital projects	7,675,141	4,936,194	8,057,352	9,140,965	8,791,225	13,353,442	19,144,953	13,609,308	15,419,956	12,644,505
Debt service									137,926	0
Unrestricted	(2,857,325)	(2,122,492)	(4,790,642)	(8,441,915)	(14,952,282)	(18,450,497)	(11,541,299)	(10,259,869)	(8,684,012)	(7,273,360)
Total business-type activities net position	255,934,395	259,894,070	260,671,038	257,270,601	263,830,169	270,659,023	285,472,796	293,418,198	325,429,817	344,931,333
Total government										
Net investment in capital assets	661,659,788	697,341,428	709,471,359	679,013,240	718,836,768	751,310,333	813,009,337	840,522,383	885,140,342	957,008,464
Restricted for:										
Net OPEB Asset									3,795,860	3,950,532
Capital projects	53,821,093	56,199,262	67,969,480	145,798,299	130,846,356	121,817,101	95,737,157	97,014,132	86,948,219	76,354,847
Debt service	1,895,999	2,260,859	1,952,510	1,147,169	12,356,203	1,582,614	1,833,748	1,077,333	1,544,570	1,440,071
Community development	13,418,343	12,738,689	12,470,309	13,560,404	14,574,669	13,988,188	14,968,616	12,455,063	12,117,129	14,398,884
Road operation and maintenance							9,531,125	12,063,371	9,874,499	10,805,636
Urban renewal	16,307,150	18,807,872	19,561,689	23,391,069	22,763,610	23,134,543	14,924,259	19,573,872	23,064,391	23,277,656
Public safety										3,288,513
Culture, parks, and recreation										18,289,671
Other purposes	5,228,628	6,641,211	9,849,088	17,623,105	18,111,763	20,837,132	14,502,409	14,892,141	17,396,018	0
Unrestricted	22,719,840	17,448,443	(15,289,892)	(31,518,476)	(60,622,408)	(86,271,640)	(33,025,300)	(29,535,082)	(12,035,946)	(39,536,772)
Total government net position	775,050,841	811,437,764	805,984,543	849,014,810	856,866,961	846,398,271	931,481,351	968,063,213	1,027,845,082	1,069,277,502

Notes

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

b) Itemized additional restriction classifications for 2025.

Data source

City of Eugene Finance Division

City of Eugene, Oregon

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

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
<u>Governmental activities:</u>										
Central services	10,746,898	10,916,378	9,376,823	9,643,577	10,363,303	15,175,314	16,160,376	18,931,487	19,699,109	19,165,879
Fire and emergency medical services	44,127,222	36,551,518	39,456,301	39,705,861	46,022,924	49,535,868	40,297,958	42,956,699	50,283,402	53,897,885
Library, recreation, and cultural services	37,520,105	36,315,029	40,627,211	40,412,585	42,542,532	39,752,601	39,181,975	47,275,869	52,023,050	52,320,022
Planning and development	21,803,208	20,167,006	20,226,682	21,083,295	30,426,051	39,956,567	22,061,586	28,809,221	37,011,447	45,264,737
Police	76,487,552	64,081,532	65,939,960	70,307,846	83,626,134	82,251,739	74,255,081	81,804,391	88,765,123	94,748,365
Public works	40,292,510	39,894,654	42,394,816	41,541,215	49,904,574	58,620,655	46,448,464	49,541,197	52,168,969	55,794,361
Interest on long term debt	4,480,488	3,860,425	3,456,197	3,853,302	4,121,680	3,980,488	3,746,201	3,440,395	3,323,081	2,764,056
Total governmental activities expenses	235,457,983	211,786,542	221,477,990	226,547,681	267,007,198	289,273,232	242,151,641	272,759,259	303,274,181	323,955,305
<u>Business-type activities:</u>										
Ambulance transport	10,306,470	9,833,739	10,979,356	12,358,312	12,107,499	12,688,080	14,495,675	15,572,346	16,704,537	17,556,579
Municipal airport	15,208,010	16,004,495	16,473,106	17,357,563	18,815,080	19,799,585	21,338,688	22,629,931	26,193,356	28,439,574
Parking services	5,618,061	5,906,861	6,974,438	7,397,757	7,401,606	5,218,428	5,630,704	6,718,634	7,194,972	7,783,042
Stormwater utility	19,264,800	18,120,379	18,531,308	21,005,874	21,787,447	21,888,491	20,934,959	23,282,476	24,669,863	28,313,201
Wastewater utility	30,201,569	27,765,452	28,463,149	29,712,420	30,445,945	32,121,707	30,922,685	34,480,253	38,138,875	42,895,330
Total business-type activities expenses	80,598,910	77,630,926	81,421,357	87,831,926	90,557,577	91,716,291	93,322,711	102,683,640	112,901,603	124,987,726
Total government expenses	316,056,893	289,417,468	302,899,347	314,379,607	357,564,775	380,989,523	335,474,352	375,442,899	416,175,784	448,943,031
<u>Program revenues</u>										
<u>Governmental activities:</u>										
Fees, fines, and charges for services:										
Central services	7,779,910	7,689,562	5,710,151	5,133,057	4,938,818	4,593,226	4,912,494	5,381,740	6,238,894	6,447,654
Fire and emergency medical services	2,609,853	2,719,435	3,663,974	4,254,751	3,240,995	5,373,725	4,334,085	4,235,412	4,937,595	4,719,620
Library, recreation, and cultural services	7,257,449	7,410,541	8,425,311	8,881,595	7,087,804	2,147,995	8,176,981	9,626,793	12,937,620	13,002,390
Planning and development	9,688,738	9,154,855	10,578,467	17,070,361	11,561,918	14,653,137	13,727,713	15,315,854	17,348,478	15,971,737
Police	4,767,887	5,963,929	3,296,257	3,254,951	3,222,524	2,573,462	2,974,962	3,664,839	3,332,388	3,095,727
Public works	7,752,218	9,371,824	10,807,651	14,017,106	10,200,514	13,307,855	12,951,680	15,758,623	13,126,280	10,140,155
Operating grants and contributions	14,585,696	15,461,691	15,724,068	18,838,857	23,763,234	25,819,690	28,371,607	27,471,749	26,789,664	33,719,729
Capital grants and contributions	1,844,022	30,467,560	8,461,914	27,874,233	21,539,134	20,112,587	4,973,944	10,178,692	10,668,885	19,228,299
Total governmental activities program revenues	56,285,773	88,239,397	66,667,793	99,324,911	85,554,941	88,581,677	80,423,466	91,633,702	95,379,804	106,325,311
<u>Business-type activities:</u>										
Fees, fines, and charges for services:										
Ambulance transport	8,263,092	8,407,885	9,785,096	10,096,055	9,393,903	9,040,085	10,145,774	11,204,794	11,839,217	11,213,512
Municipal airport	10,124,799	11,096,847	12,879,704	13,243,998	11,577,215	9,324,920	18,532,755	21,277,095	23,987,659	26,897,253
Parking services	6,663,765	6,883,364	6,738,931	7,306,434	6,050,845	3,824,470	4,864,549	6,001,406	6,606,390	7,333,141
Stormwater utility	16,936,261	17,856,504	19,860,151	19,853,877	20,232,098	20,963,680	20,954,261	22,121,893	24,480,456	27,109,275
Wastewater utility	24,241,891	25,095,039	25,570,363	26,277,355	25,768,269	27,415,846	28,920,293	32,731,878	36,186,046	39,692,637
Operating grants and contributions	141,927	914,402	452,897	1,638,307	5,929,228	8,852,715	8,029,057	9,686,641	3,475,503	6,998,341
Capital grants and contributions	7,764,290	12,747,075	11,059,636	6,717,167	18,395,014	15,014,656	11,651,340	9,601,239	29,703,107	20,111,191
Total business-type activities program revenues	74,136,025	83,001,116	86,346,778	85,133,193	97,346,572	94,436,372	103,098,029	112,624,946	136,278,378	139,355,350
Total government program revenues	130,421,798	171,240,513	153,014,571	184,458,104	182,901,513	183,018,049	183,521,495	204,258,648	231,658,182	245,680,661

continued

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>Net (expense) revenue</u>										
Governmental activities	(179,172,210)	(123,547,145)	(154,810,197)	(127,222,770)	(181,452,257)	(200,691,555)	(161,728,175)	(181,125,557)	(207,894,376)	(217,629,994)
Business-type activities	(6,462,885)	5,370,190	4,925,421	(2,698,733)	6,788,995	2,720,081	9,775,318	9,941,306	23,376,775	14,367,624
Total government net (expense) revenue	<u>(185,635,095)</u>	<u>(118,176,955)</u>	<u>(149,884,776)</u>	<u>(129,921,503)</u>	<u>(174,663,262)</u>	<u>(197,971,474)</u>	<u>(151,952,857)</u>	<u>(171,184,251)</u>	<u>(184,517,601)</u>	<u>(203,262,370)</u>
<u>General revenues and transfers</u>										
<u>Governmental activities:</u>										
Property taxes	110,728,701	117,178,340	119,058,842	126,181,426	133,203,518	138,949,222	143,555,101	147,295,757	154,358,958	160,506,642
Community safety payroll tax	0	0	0	0	0	7,884,681	20,623,729	21,788,267	24,351,549	25,355,395
Transient room tax	2,463,206	2,801,491	3,024,441	2,998,379	2,389,179	2,308,202	4,059,516	2,410,869	6,003,290	4,801,900
Local motor vehicle fuel tax	3,050,845	3,081,192	3,135,901	3,156,006	2,879,182	2,563,495	2,998,859	2,934,917	2,892,266	2,976,617
Local marijuana tax	0	0	936,078	1,195,311	1,326,362	1,850,464	1,724,528	1,368,940	1,468,560	1,362,626
Contributions in lieu of taxes	12,674,782	13,170,497	13,227,794	12,824,676	12,502,242	12,436,825	12,869,798	13,183,793	13,294,980	14,718,561
Utility tax revenues	27,751,459	12,423,650	11,286,127	11,424,731	10,570,386	10,668,568	8,877,029	7,535,606	8,593,135	7,674,201
Grants and contributions not restricted to specific programs	4,153,928	4,568,586	5,733,521	5,699,558	7,729,292	8,401,684	42,022,470	8,433,292	6,951,854	6,862,771
Unrestricted investment earnings	1,120,714	1,195,391	3,334,383	8,622,148	8,391,525	2,187,141	131,866	7,405,483	18,986,583	18,504,459
Transfers	1,802,546	1,555,246	528,264	1,551,239	872,667	(3,856,271)	(4,865,414)	(2,594,907)	(1,236,549)	(3,202,274)
Total governmental activities general revenues and transfers	<u>163,746,181</u>	<u>155,974,393</u>	<u>160,265,351</u>	<u>173,653,474</u>	<u>179,864,353</u>	<u>183,394,011</u>	<u>231,997,482</u>	<u>209,762,017</u>	<u>235,664,626</u>	<u>239,560,898</u>
<u>Business-type activities:</u>										
Unrestricted investment earnings	151,851	144,731	253,145	849,535	643,240	252,502	173,041	942,762	1,864,722	1,931,618
Transfers	(1,802,546)	(1,555,246)	(528,264)	(1,551,239)	(872,667)	3,856,271	4,865,414	2,594,907	1,236,549	3,202,274
Total business-type activities general revenues and transfers	<u>(1,650,695)</u>	<u>(1,410,515)</u>	<u>(275,119)</u>	<u>(701,704)</u>	<u>(229,427)</u>	<u>4,108,773</u>	<u>5,038,455</u>	<u>3,537,669</u>	<u>3,101,271</u>	<u>5,133,892</u>
Total government general revenues and transfers	<u>162,095,486</u>	<u>154,563,878</u>	<u>159,990,232</u>	<u>172,951,770</u>	<u>179,634,926</u>	<u>187,502,784</u>	<u>237,035,937</u>	<u>213,299,686</u>	<u>238,765,897</u>	<u>244,694,790</u>
<u>Change in net position:</u>										
Governmental activities	(15,426,029)	32,427,248	5,455,154	46,430,704	(1,587,904)	(17,297,544)	70,269,307	28,636,460	27,770,250	21,930,904
Business-type activities	<u>(8,113,580)</u>	<u>3,959,675</u>	<u>4,650,302</u>	<u>(3,400,437)</u>	<u>6,559,568</u>	<u>6,828,854</u>	<u>14,813,773</u>	<u>13,478,975</u>	<u>26,478,046</u>	<u>19,501,516</u>
Total government change in net position	<u>(23,539,609)</u>	<u>36,386,923</u>	<u>10,105,456</u>	<u>43,030,267</u>	<u>4,971,664</u>	<u>(10,468,690)</u>	<u>85,083,080</u>	<u>42,115,435</u>	<u>54,248,296</u>	<u>41,432,420</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

City of Eugene, Oregon

Fund Balances - Governmental Funds*Last ten fiscal years - unaudited*

(amounts in dollars)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Fund:										
Nondisposable	953,774	1,200,987	1,512,034	1,730,503	942,750	1,343,015	2,965,964	4,062,052	728,911	1,843,067
Restricted	1,168,970	1,336,519	921,003	1,093,903	740,503	0	1,341,229	763,833	1,407,953	888,831
Assigned	36,263,402	52,650,179	51,080,271	30,183,583	32,472,566	29,257,697	33,202,961	33,800,101	34,012,181	35,674,487
Unassigned	<u>19,803,948</u>	<u>5,184,963</u>	<u>11,420,867</u>	<u>32,021,117</u>	<u>23,998,255</u>	<u>24,261,369</u>	<u>49,310,699</u>	<u>32,846,509</u>	<u>23,718,547</u>	<u>28,555,820</u>
Total General Fund	<u><u>58,190,094</u></u>	<u><u>60,372,648</u></u>	<u><u>64,934,175</u></u>	<u><u>65,029,106</u></u>	<u><u>58,154,074</u></u>	<u><u>54,862,081</u></u>	<u><u>86,820,853</u></u>	<u><u>71,472,495</u></u>	<u><u>59,867,592</u></u>	<u><u>66,962,205</u></u>
All other governmental funds:										
Nondisposable	2,242,204	2,278,199	4,392,859	1,196,173	3,172,914	1,836,385	3,531,404	2,347,777	1,327,654	2,778,106
Restricted	60,042,342	70,445,986	75,744,039	102,094,848	113,982,527	108,412,301	100,615,438	114,864,723	114,467,270	113,087,001
Committed	13,337,866	13,398,885	12,699,342	17,647,972	15,661,554	20,613,361	30,765,669	38,490,249	44,234,069	41,743,111
Assigned	15,174,737	16,758,998	18,354,678	52,679,850	47,597,334	37,690,659	32,110,615	39,904,812	31,041,135	25,005,097
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(752,945)</u>	<u>300,490</u>	<u>0</u>	<u>0</u>
Total all other governmental funds	<u><u>90,797,149</u></u>	<u><u>102,882,068</u></u>	<u><u>111,190,918</u></u>	<u><u>173,618,843</u></u>	<u><u>180,414,329</u></u>	<u><u>168,552,706</u></u>	<u><u>166,270,181</u></u>	<u><u>195,908,051</u></u>	<u><u>191,070,128</u></u>	<u><u>182,613,315</u></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

City of Eugene, Oregon

Changes in Fund Balances - Governmental Funds*Last ten fiscal years - unaudited*

(amounts in dollars)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>Revenues</u>										
Taxes	128,418,191	134,915,564	144,178,020	148,313,967	151,680,375	166,228,746	185,367,334	189,436,646	201,838,060	208,200,143
Licenses and permits	33,340,125	18,201,720	18,831,331	21,686,905	18,567,688	20,082,996	17,798,654	18,213,515	19,322,078	16,600,864
Intergovernmental	18,785,203	21,724,233	25,039,713	34,536,227	35,772,864	48,811,828	74,003,278	38,756,583	41,075,319	51,703,684
Rental income	550,688	578,538	911,124	847,849	816,930	532,811	1,013,292	806,866	746,570	765,379
Charges for services	24,521,666	26,612,545	25,314,067	31,795,680	22,845,719	24,243,994	27,577,696	33,834,074	33,633,265	30,262,183
Fines and forfeits	2,440,446	2,003,137	2,014,566	1,714,448	1,507,621	1,547,370	1,404,939	1,594,796	1,769,904	1,701,410
Special assessments	103,170	46,147	24,127	46,756	46,880	29,701	51,313	14,964	8,182	2,442
Repayment of revolving loans	2,315,269	2,000,135	1,585,999	1,198,811	949,244	3,053,958	6,706,573	2,448,297	785,481	762,283
Miscellaneous	3,187,847	3,644,019	4,800,921	13,647,506	8,282,312	4,903,403	2,999,528	9,303,978	18,711,550	20,117,132
Total revenues	<u>213,662,605</u>	<u>209,726,038</u>	<u>222,699,868</u>	<u>253,788,149</u>	<u>240,469,633</u>	<u>269,434,807</u>	<u>316,922,607</u>	<u>294,409,719</u>	<u>317,890,409</u>	<u>330,115,520</u>
<u>Expenditures</u>										
Central services	19,368,223	19,384,389	21,287,052	23,478,711	25,764,772	24,971,637	29,771,520	36,126,124	28,168,686	28,916,226
Fire and emergency medical services	28,482,187	29,144,696	32,142,030	31,748,220	33,732,274	38,055,986	34,942,733	37,604,081	42,903,434	46,387,570
Library, recreation, and cultural services	27,244,948	30,130,054	34,172,077	33,853,381	34,846,039	31,051,924	37,718,976	41,434,758	46,323,424	46,977,237
Planning and development	17,746,249	18,087,410	17,353,886	21,352,800	23,834,984	23,261,373	22,652,361	25,293,803	32,952,608	42,095,927
Police	52,467,719	53,444,177	54,230,508	58,036,380	63,482,058	64,630,798	65,708,418	75,204,714	77,299,798	82,386,458
Public works	18,922,196	18,647,613	19,268,674	21,455,231	23,152,520	22,758,423	24,678,289	26,120,821	28,881,770	28,471,826
Debt service:										
Principal	25,135,066	13,830,504	13,709,127	13,958,360	12,810,697	13,988,639	22,951,706	19,263,150	20,042,625	14,972,000
Interest	981,532	786,735	622,644	719,996	1,411,891	1,467,804	3,135,240	2,893,479	3,318,376	2,415,847
Rebatable arbitrage	0	0	0	0	0	0	42,796	0	0	0
Loss on defeasance	0	0	0	0	0	0	116,345	0	0	0
Issuance costs	117,490	0	0	305,215	0	0	0	0	0	0
Capital outlay	21,814,651	21,433,109	26,201,981	29,999,687	39,578,448	57,778,168	56,794,494	45,479,154	58,474,811	49,994,163
Intergovernmental	0	0	0	0	0	0	0	0	0	0
Proceeds from sale of capital asset	0	0	465,278	0	0	0	0	0	0	0
Special payments	0	321	28,045	19,521	670,685	12,665,893	22,278	743,170	1,556,526	4,778
Total expenditures	<u>212,280,261</u>	<u>204,889,008</u>	<u>219,481,302</u>	<u>234,927,502</u>	<u>259,284,368</u>	<u>290,630,645</u>	<u>298,535,156</u>	<u>310,163,254</u>	<u>339,922,058</u>	<u>342,622,032</u>
Excess (deficiency) of										
revenues over expenditures	1,382,344	4,837,030	3,218,566	18,860,647	(18,814,735)	(21,195,838)	18,387,451	(15,753,535)	(22,031,649)	(12,506,512)

continued

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>Other financing sources (uses)</u>										
Principal payments received									689	0
Issuance of debt	11,282,978	9,251,000	9,719,000	42,368,967	19,526,000	9,840,000	10,230,000	31,616,412	11,131,246	12,150,015
Loss from sale of assets	0	0	0	0	0	0	0	0	0	(10,760)
Proceeds of refunding bonds issuance	8,929,918	0	0	0	0	0	0	0	0	0
Gain on sale of assets	0	0	0	3,048,674	0	0	3,526,620	3,520,456	0	0
Proceeds from leases	0	0	0	0	0	0	3,683,580	0	0	0
Transfers in	9,636,468	14,858,904	9,190,305	14,244,848	22,845,867	21,026,268	12,851,902	16,764,713	18,574,851	7,776,107
Transfers out	(10,944,126)	(14,679,461)	(9,257,494)	(16,000,280)	(23,636,678)	(24,824,046)	(19,003,305)	(21,858,534)	(24,117,963)	(8,771,051)
Total other financing sources (uses)	<u>18,905,238</u>	<u>9,430,443</u>	<u>9,651,811</u>	<u>43,662,209</u>	<u>18,735,189</u>	<u>6,042,222</u>	<u>11,288,797</u>	<u>30,043,047</u>	<u>5,588,823</u>	<u>11,144,311</u>
Net change in fund balances	<u>23,742,268</u>	<u>14,267,473</u>	<u>12,870,377</u>	<u>24,847,474</u>	<u>(2,460,649)</u>	<u>(15,153,616)</u>	<u>29,676,248</u>	<u>14,289,512</u>	<u>(16,442,826)</u>	<u>(1,362,201)</u>
Debt service as a percentage										
of noncapital expenditures	7.14%	7.97%	7.24%	5.58%	5.51%	9.37%	9.83%	7.95%	8.27%	5.94%

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

City of Eugene, Oregon

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>	
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
2021	16,037,323,128	31,877,236,210	552,854,590	613,569,633	16,590,177,718	32,490,805,843	8.43
2022	16,646,723,817	35,056,575,461	541,271,764	615,012,336	17,187,995,581	35,671,587,797	8.40
2023	17,292,148,613	41,470,486,632	550,914,509	672,896,638	17,843,063,122	42,143,383,270	8.33
2024	18,415,297,226	44,403,297,747	573,783,790	731,233,696	18,989,081,016	45,134,531,443	8.41
2025	19,061,576,509	45,613,439,279	599,410,068	766,414,211	19,660,986,577	46,379,853,490	8.38

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

City of Eugene, Oregon

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					Total
	Operating	Debt service	Total direct rate	County	School districts	Community college	UWS&W	Total overlapping rate	
2016	7.17	1.08	8.25	1.81	7.91	0.81		10.53	18.95
2017	7.38	0.96	8.34	1.65	7.95	0.83		10.43	18.78
2018	7.38	0.92	8.30	1.65	7.92	0.83		10.40	18.77
2019	7.58	0.90	8.48	1.78	7.90	0.83		10.51	18.70
2020	7.57	0.85	8.42	1.82	8.52	0.83		11.17	18.99
2021	7.57	0.86	8.43	1.82	8.49	0.95		11.26	19.59
2022	7.56	0.84	8.40	1.83	7.82	0.94	0.07	10.66	19.69
2023	7.56	0.77	8.33	1.83	8.54	0.93	0.07	11.37	19.06
2024	7.68	0.73	8.41	1.99	8.50	0.93	0.07	11.49	19.90
2025	7.60	0.78	8.38	1.99	8.47	0.91	0.07	11.44	19.82

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

INFORMATION

These numbers come from the Property Tax combined area

Breakdown:	6.8496	0.7762		1.2508	4.6194	0.6054	0.0685			
	0.1449			0.0280	0.2183	0.3088				
	0.2710			0.1600	1.5000					
	0.1580			0.5500	2.1338					
	0.1759									
	7.5994	0.7762		1.9888	8.4715	0.9142	0.0685			19.8186

City of Eugene, Oregon

Property Tax Levies and Collections*Last seven fiscal years - unaudited*

(amounts in dollars)

Fiscal year	Taxes levied for the fiscal year		Adjustments	Total adjusted levy	Collected within the fiscal year of the levy		Collections/ adjustments in subsequent years	Total collections to date		Outstanding taxes		
					Amount	Percentage of gross levy		Percentage of adjusted levy	Amount	Percentage of adjusted levy	Amount	Percentage of adjusted levy
2019	132,743,074	(4,165,912)	128,577,162	126,674,281	95.4%	98.5%	1,851,902	128,526,183	100.0%	50,979	0.0%	
2020	136,837,981	(3,932,067)	132,905,914	130,494,113	95.4%	98.2%	2,345,988	132,840,101	100.0%	65,813	0.0%	
2021	142,779,081	(3,863,575)	138,915,506	136,790,683	95.8%	98.5%	1,990,821	138,781,504	99.9%	134,002	0.1%	
2022	147,270,557	(4,015,783)	143,254,774	140,885,830	95.7%	98.3%	2,122,233	143,008,063	99.8%	246,711	0.2%	
2023	151,750,050	(4,212,249)	147,537,801	145,241,165	95.7%	98.4%	1,650,758	146,891,923	99.6%	645,878	0.4%	
2024	159,222,723	(4,577,033)	154,645,690	151,908,292	95.4%	98.2%	1,015,152	152,923,444	98.9%	1,722,246	1.1%	
2025	164,752,426	(4,583,878)	160,168,548	156,945,418	95.3%	98.0%	0	156,945,418	98.0%	3,223,132	2.0%	

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

City of Eugene, Oregon

Ten Principal Property Taxpayers*Current year and nine years ago - unaudited*

(amounts in dollars)

<u>Taxpayer</u>	FY 2025			FY 2016		
	Total	Total	Percentage	Total	Total	Percentage
	taxes paid	assessed value	of total assessed value	taxes paid	assessed value	of total assessed value
Comcast Corporation	2,316,597	116,890,044	0.61%	2,490,731	132,618,300	0.97%
Shepard Investment Group LLC	1,764,979	93,424,422	0.49%	1,189,132	66,193,681	0.48%
Valley River Center	1,428,716	78,201,002	0.41%	2,002,869	117,328,763	0.86%
Verizon Communications Inc	1,409,832	81,338,498	0.42%	1,365,313	81,747,000	0.60%
McKay Investment Company	1,257,147	64,717,387	0.34%	1,132,135	62,751,584	0.33%
Northwest Natural Gas Company	1,242,215	70,077,000	0.36%	605,962	36,115,500	0.26%
Chase Village LLC	1,007,019	50,811,838	0.26%	727,086	38,713,494	0.28%
ACC OP LLC Garden Avenue	894,294	45,123,950	0.23%	-	-	0.00%
Weyerhaeuser NR Company	879,963	51,319,764	0.27%	-	-	0.00%
Oregon VA1C LLC	833,015	42,031,974	0.22%	-	-	0.00%
CCC - Eugene LLC	-	-	-	1,249,689	66,539,333	0.49%
Century Link	-	-	-	778,469	46,331,000	0.34%
Molecular Probes Inc	-	-	-	598,098	35,549,729	0.26%
Subtotal	13,033,777	693,935,879	3.61%	12,139,484	683,888,384	5.00%
All other taxpayers		18,528,291,969	96.39%		13,001,589,922	95.00%
Total taxpayers		<u>19,222,227,848</u>	<u>100.00%</u>		<u>13,685,478,306</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)

Fiscal year	Governmental activities							Business-type activities				Percentage of real market value	Debt per capita
	General obligation bonds	Certificates of participation	Limited tax bonds	Tax increment bonds	Notes and contracts payable	Lease Liability	Subscription payable	Limited tax bonds	Lease Liability	Subscription payable	Total government		
2016	16,574,320	390,000	48,267,928	1,222,000	5,868,000	0	0	10,137,540	0	0	82,459,788	0.35%	505
2017	12,967,158	200,000	46,332,768	298,000	5,677,000	0	0	9,711,694	0	0	75,186,620	0.31%	453
2018	9,235,009	0	43,992,044	0	5,484,000	0	0	9,221,483	0	0	67,932,536	0.25%	405
2019	37,710,357	0	41,187,655	0	5,280,000	0	0	8,638,019	0	0	92,816,031	0.32%	547
2020	32,535,708	0	49,909,861	0	5,076,000	0	0	7,953,716	0	0	95,475,285	0.31%	558
2021	29,628,708	0	45,017,378	0	4,872,000	0	0	7,161,562	0	0	86,679,648	0.27%	499
2022	26,739,265	0	39,559,705	0	0	0	0	6,251,149	0	0	72,550,119	0.20%	499
2023	38,098,690	0	33,377,955	0	4,000,000	1,721,436	3,035,610	5,212,045	55,137	104,591	85,605,464	0.20%	430
2024	36,176,800	0	26,607,926	0	2,080,000	6,879,160	1,489,780	4,032,074	1,579,225	66,726	78,911,691	0.17%	445
2025	32,626,175	0	25,420,925	0	2,080,000	6,678,374	1,040,306	4,032,074	1,450,730	85,857	73,414,441	0.16%	414

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.

Data source

Lane County Department of Assessment and Taxation
City of Eugene Finance Division

City of Eugene, Oregon

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>Funds available for principal repayment</u>	<u>Net general bonded debt</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>Notes and contracts payable</u>	<u>Total</u>				
2016	16,574,320	390,000	58,405,468	1,222,000	5,868,000	82,459,788	(1,895,999)	74,695,789	0.32%	457
2017	12,967,158	200,000	56,044,462	298,000	5,677,000	75,186,620	(2,260,859)	67,248,761	0.28%	405
2018	9,235,009	0	53,213,527	0	5,484,000	67,932,536	(1,952,510)	60,496,026	0.23%	361
2019	37,710,357	0	49,825,674	0	5,280,000	92,816,031	(1,147,169)	86,388,862	0.30%	509
2020	32,535,708	0	57,863,577	0	5,076,000	95,475,285	(12,356,203)	78,043,082	0.25%	456
2021	29,628,677	0	52,178,938	0	4,872,000	86,679,615	(1,582,614)	80,225,001	0.25%	462
2022	26,739,265	0	45,810,854	0	0	72,550,119	(1,833,748)	70,716,371	0.20%	403
2023	38,098,690	0	33,377,955	0	4,000,000	75,476,645	(1,077,333)	74,399,312	0.17%	420
2024	36,176,800	0	26,607,926	0	2,080,000	64,864,726	(1,406,644)	63,458,082	0.16%	358
2025	32,626,175	0	29,453,000	0	2,080,000	64,159,175	(1,440,071)	62,719,104	0.14%	354

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

City of Eugene, Oregon

Direct and Overlapping Governmental Activities Debt*As of June 30, 2025 - 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)	67,845,780	100.00%	67,845,780
Total direct debt			<u>67,845,780</u>
Lane Community College	207,975,000	46.22%	85,925,794
Lane County	307,655,566	47.00%	133,132,298
Lane County Housing Authority	7,058,592	47.00%	3,317,651
Lane County SD 19 (Springfield)	201,982,511	0.00%	606
Lane County SD 4J (Eugene)	408,110,402	80.20%	327,324,539
Lane County SD 52 (Bethel)	194,363,531	78.47%	149,800,106
Lane County SD 69 (Junction City)	14,017,005	3.40%	476,522
Lane Eugene School District	3,496,360	47.06%	1,645,272
River Road Park and Recreation District	98,000	0.50%	492
Willamalane Park & Recreation District	8,780,000	0.00%	85
Total overlapping debt			<u>701,623,365</u>
Total direct and overlapping debt			<u>769,469,145</u>

City of Eugene, Oregon

I-12

Legal Debt Margin - General Obligation Bonded Debt*Last ten fiscal years - unaudited*

(amounts in dollars)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Real market value	23,442,741,660	24,318,522,865	26,701,028,534	28,880,944,665	30,815,937,995	32,490,805,843	35,671,587,797	42,143,383,270	45,134,531,443	46,379,853,490
Legal debt margin:										
Debt limit (3% of real market value)	703,282,250	729,555,686	801,030,856	866,428,340	924,478,140	974,724,175	1,070,147,634	1,264,301,498	1,354,035,943	1,391,395,605
Debt applicable to limit:										
General Obligation Bonds	15,625,000	12,185,000	8,695,000	35,990,000	30,935,000	28,120,000	25,295,000	35,790,000	34,110,000	30,825,000
Less: Amount reserved for repayment of general obligation debt	(290,445)	(574,151)	(817,737)	(447,483)	(222,906)	(819,295)	(1,050,958)	(477,886)	(756,655)	(915,703)
Total debt applicable to limit	15,334,555	11,610,849	7,877,263	35,542,517	30,712,094	27,300,705	24,244,042	35,312,114	33,353,345	29,909,297
Legal debt margin	687,947,695	717,944,837	793,153,593	830,885,823	893,766,046	947,423,470	1,045,903,592	1,228,989,384	1,320,682,598	1,361,486,308
Total debt applicable to the limit as a percentage of debt limit	4%	3%	2%	2%	3%	3%	2%	3%	2%	2%

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

City of Eugene, Oregon

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>
2016	163,400	4.90%	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	17,431,415	45,919
2019	169,695	4.00%	375,120	18,087,217	47,340
2020	171,210	5.80%	378,880	18,989,468	49,583
2021	173,620	6.70%	381,365	21,131,525	55,146
2022	175,626	4.10%	382,647	21,483,599	56,188
2023	178,259	4.30%	383,958	23,664,867	61,634
2024	177,340	3.90%	384,374	23,690,507	61,634
2025	177,155	4.00%	385,120	23,736,486	61,634

Notes

- a) Personal income information is not available for the City.
- b) Population is certified as of July 1 of each fiscal year by Portland State University Population Research Center.
- c) Unemployment rates presented are 12-month averages from July to June for each respective fiscal year.
- d) The County's Personal Income data has not been available since 2023. 2023's per capita income comes from the Federal Reserve Bank of St. Louis's FRED report
- e) The 2024 and 2025 per capita income was not available and has been estimated to be the same as 2023.
- f) Note that as of October 2024, Lane County revised prior year personal income for FY21-FY23.
- g) From 2023 until present the Personal Income calculated by multiplying the Per Capita Income and Population.

Data source*City of Eugene Information:*

Population: Portland State University's Center for Population Research and Census
 Unemployment rate: Oregon Employment Department,

Lane County Information:

Lane County Financial Services
 Federal Reserve Bank of St. Louis

City of Eugene, Oregon

Ten Principal Employers*Current year and nine years ago - unaudited*

<u>Employer</u>	<u>2025</u>		<u>2016</u>	
	<u>Employees</u>	<u>Percentage of total employment</u>	<u>Employees</u>	<u>Percentage of total employment</u>
University of Oregon	6,290	3.96%	5,479	3.31%
Eugene School District 4J	2,944	1.85%	1,198	0.72%
City of Eugene	2,010	1.27%	1,394	0.84%
Lane County Government	1,977	1.24%	1,369	0.83%
US Government	1,952	1.23%	1,669	1.01%
Oregon State Government	2,038	1.28%	1,656	1.00%
Springfield School District	1,584	1.00%	1,242	0.75%
Lane Community College	1,125	0.71%	943	0.57%
Bethel School District #52	971	0.61%	0	0.00%
South Lane School District 45j3	579	0.36%	0	0.00%
PeaceHealth Medical Group	-	-	5,500	3.33%
McKenzie-Willamette Medical Center	-	-	880	0.53%
Total	<u>21,470</u>	<u>13.52%</u>	<u>21,330</u>	<u>12.90%</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
State of Oregon Employment Department

City of Eugene, Oregon

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>	
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
2021	236	212	169	117	331	428	1,493
2022	237	213	176	117	316	425	1,484
2023	246	234	178	109	335	445	1,547
2024	237	227	175	132	324	462	1,557
2025	245	232	175	123	328	462	1,565

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

City of Eugene, Oregon

Operating Indicators by Function/Program*Last ten fiscal years - unaudited*

Function/Program	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>Central services:</u>										
Number of risk claims managed	227	220	238	252	185	273	364	390	289	222
Number of purchase orders issued	15,364	16,409	10,730	5,946	4,714	3,284	3,378	3,460	3,259	3,093
Job applications processed	10,032	10,590	13,531	13,496	9,848	4,712	8,375	7,834	9,910	9,701
Building square footage maintained	1,926,676	1,926,503	1,933,367	1,933,377	1,933,377	1,939,577	1,796,783	1,896,783	1,896,783	1,896,783
Municipal Court cases processed	17,569	13,817	14,460	12,282	14,173	10,132	6,222	6,920	6,640	7,392
<u>Fire and emergency medical services:</u>										
Emergency responses	26,655	28,014	27,974	29,388	29,447	28,771	33,073	36,738	37,253	35,032
Fire inspections	3,042	2,435	2,286	2,175	2,297	1,308	906	679	957	735
<u>Library, recreation, and cultural services:</u>										
Number of library patron visits	1,054,313	1,137,194	1,158,737	1,106,089	795,104	188,949	505,270	826,982	834,640	816,093
Volume of library collection borrowed	2,597,267	2,689,691	2,646,269	2,644,527	2,125,433	1,641,233	2,574,268	2,712,358	2,796,968	2,674,640
Hult Center attendees	176,244	156,347	177,547	181,724	125,162	1,751	117,696	172,225	182,789	192,102
Recreation services	641,877	660,286	686,297	685,043	457,162	214,145	365,060	493,253	591,032	604,695
<u>Planning and development:</u>										
Construction permits issued	12,128	13,040	13,549	11,782	10,546	11,769	11,048	10,465	10,504	10,078
Land use applications reviewed	264	352	338	379	319	299	296	268	292	321
Parking permits issued	33,730	35,500	37,936	41,374	30,631	20,751	26,150	22,831	18,427	32,422
Parking citations issued	63,981	62,655	64,826	59,025	37,147	22,640	29,378	56,826	50,080	61,029
<u>Police:</u>										
Calls for service	126,770	133,322	131,686	133,285	144,270	136,730	140,321	118,007	114,269	116,567
Eugene crime index	4,515	4,190	4,196	4,116	3,609	3,961	unavailable	unavailable	unavailable	unavailable
U.S. median city crime index	3,419	3,318	3,268	3,194	3,255	3,088	unavailable	unavailable	unavailable	unavailable
<u>Public works:</u>										
Number of municipal airport passengers	938,895	1,011,875	1,120,925	1,151,193	954,818	686,712	1,442,501	1,639,908	1,739,641	1,674,274
Gallons of wastewater treated (in billions)	12.5	12.5	11.0	11.6	10.9	10.8	12.5	11.1	12.7	13.7

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) The Eugene crime index is based on the number of offenses, reported on a fiscal year basis (per 100,000 population).
- d) 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

City of Eugene, Oregon

Capital Asset Statistics by Function/Program*Last ten fiscal years - unaudited*

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>Fire and emergency medical services:</u>										
Ambulances	10	10	13	10	10	11	13	13	13	13
Fire stations	11	11	11	11	11	11	11	11	11	11
Fire apparatus	29	29	29	24	24	24	25	25	25	25
<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	52	52	53	53	53	67	67	67	67	85
<u>Public works:</u>										
Jogging and hiking trails (miles)	47	48	48	44	46	45	48	48	48	48
On/off street biking trails (miles)	248	245	245	264	264	233	287	287	244	244
Park acreage	4,800	4,800	4,800	4,800	4,970	4,970	5,276	5,309	5,361	5,435
Streets maintained (miles)	543	547	547	550	563	598	598	598	563	563
Alleys (miles)	43	43	43	43	43	43	44	44	42	42
Sidewalks (miles)	756	767	767	770	772	772	848	848	821	821
Drainage lines (miles)	601	601	601	601	601	601	601	601	601	601
Wastewater collection lines (miles)	821	842	842	842	842	842	842	842	842	842

Data source

Individual City Departments

AUDIT COMMENTS AND GOVERNMENT
AUDITING STANDARDS SECTIONS

Audit Comments & Government
Auditing Standards Sections

AUDIT COMMENTS

Audit Comments

AUDIT COMMENTS

(Comments and Disclosures Required by State Regulators)

Oregon Administrative Rules 162-10-0000 through 162-10-0320, 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.

GOVERNMENT AUDITING STANDARDS



Report of Independent Auditors Required by Oregon State Regulations

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

We have audited, 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 the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Eugene, Oregon (the "City") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 29, 2025.

Compliance

As part of obtaining reasonable assurance about whether the City's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules (OAR) 162-010-0000 to 162-010-0330, of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the financial statements. 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:

- Accounting records and internal control
- Public fund deposits
- Indebtedness
- Budget
- Insurance and fidelity bonds
- Programs funded from outside sources
- Highway funds
- Investments
- Public contracts and purchasing

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

In connection with our testing, nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of ORS as specified in OAR 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations.

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) as a basis for designing 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 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 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 or significant deficiencies may exist that have not been identified.

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 entity's internal control or on compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the City Council and management of the City and the Oregon Secretary of State, and is not intended to be and should not be used by anyone other than these parties.



Amanda Moore, Principal, for
Baker Tilly US, LLP
Eugene, Oregon
December 29, 2025

Government Auditing Standards Report



Report of Independent Auditors 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

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 (*Government Auditing Standards*), 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, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 29, 2025.

Report on 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) as a basis for designing 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 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 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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Baker Tilly US, LLP

Eugene, Oregon
December 29, 2025

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, 2025

Meeting Date: January 26, 2026
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 9
Staff Contact: Brett Gomsrud
Phone: 541-682-5024

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, 2025. 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 Baker Tilly US, LLC (auditors) has completed the audit of the Agency's annual financial report for the fiscal year ended June 30, 2025 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 45-46. In the first report, the auditors have issued an unmodified opinion 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.

January 26, 2026 Meeting – Item 9

One additional report, beginning on page 49, specifically addresses compliance with Federal laws, regulations, contracts, and grants, and indicates that the auditors found no material instances of the City's noncompliance with these requirements.

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.

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. Baker Tilly US, LLC's memo addressing these issues for fiscal year 2025 is included as Attachment B and it states that there were no concerns that required communication to the Agency.

RELATED CITY POLICIES

The City of Eugene [2023-2026 City of Eugene Strategic Plan](#) outlines direction and organizational priorities for the 2023-2026 period. The Annual Financial Report for the Urban Renewal Agency of the City of Eugene aligns with the Organizational Wellbeing focus area by providing accessible and transparent financial information.

PREVIOUS AGENCY BOARD DIRECTION

None.

AGENCY BOARD OPTIONS

1. Agency Board may accept the Annual Financial Report and auditor opinions.
2. Agency Board can delay acceptance, pending a future work session with external auditors to address any issues or areas of concern.

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, 2025.

ATTACHMENTS

- A. Resolution: 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, 2025
- B. Baker Tilly Communication
- C. Annual Financial Report

FOR MORE INFORMATION

Staff Contact: Brett Gomsrud, Accounting and Reporting Manager

Telephone: 541-682-5024

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

RESOLUTION NO. xxxx

**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, 2025**

The Urban Renewal Agency Board of the City of Eugene finds that:

A. The City has prepared financial statements and an Annual Financial Report of the Urban Renewal Agency, a Component Unit of the City of Eugene for the Fiscal Year ended June 30, 2025 (the “2025 Annual Financial Report”).

B. The independent firm of Baker Tilly US, LLC has completed an audit of the 2025 Annual Financial Report as required by ORS 297.425 and, pursuant to ORS 297.465, issued its findings to the Urban Renewal Agency Board via the Report of the Independent Auditors.

NOW, THEREFORE,

BE IT RESOLVED by the Urban Renewal Agency of the City of Eugene as follows:

Section 1. That the Urban Renewal Agency Board hereby acknowledges that it has received the Report of the Independent Auditors on the audited 2025 Annual Financial Report.

Section 2. This Resolution shall become effective immediately upon its passage by the Urban Renewal Agency Board.

The foregoing Resolution adopted the 26th day of January, 2026.

City Recorder

Communications with
Those Charged with Governance
**Urban Renewal Agency of the
City of Eugene, Oregon**
June 30, 2025





Communications with Those Charged with Governance

To the Honorable Mayor, Members of the Urban
Renewal Agency Board, and Administrator of the
Urban Renewal Agency of the City of Eugene, Oregon

We have audited the accompanying financial statements of the governmental activities and each major fund of the Urban Renewal Agency of the City of Eugene, Oregon (a component unit of the City of Eugene, Oregon) (the Agency) as of and for the year ended June 30, 2025 and have issued our report thereon dated December 29, 2025. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America, Generally Accepted Government Auditing Standards, and Minimum Standards for Audits of Oregon Municipal Corporations

As stated in our audit contract signed May 12, 2021 and amendment signed on July 10, 2025, we are responsible for forming and expressing opinions about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit 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 provisions of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Oregon Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we considered the Agency's internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

We are also responsible for communicating significant matters related to the financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in the contract.

Significant Audit Findings and Issues

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note 1 to the financial statements. The Agency implemented GASB Statement 101, Compensated Absences, and GASB Statement 102, Certain Risk Disclosures. No other new accounting policies were adopted and there were no changes in the application of existing policies during 2025. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Significant Accounting Estimates

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. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant accounting estimate is the valuation of the assets held for resale.

Financial Statement Disclosures

The disclosures in the financial statements are consistent, clear, and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was the disclosure of the reporting entity and significant accounting policies in Note 1 to the financial statements.

Significant Unusual Transactions

We encountered no significant unusual transactions during our audit of the Agency's financial statements.

Significant Difficulties Encountered in Performing the Audit

Professional standards require us to inform you of any significant difficulties encountered in performing the audit. No significant difficulties were encountered during our audit of the Agency's financial statements.

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. No such disagreements arose during the course of our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No corrected or uncorrected misstatements were identified during the audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 29, 2025.

Management Consultation 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 Agency'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 Significant Audit Findings or Issues

We are required to communicate to you other findings or issues arising from the audit that are, in our professional judgment, significant and relevant to your oversight of the financial reporting process. There were no such items identified.

This information is intended solely for the use of the Honorable Mayor, Members of the Agency Board, Administrator of the Agency and management, and is not intended to be, and should not be, used by anyone other than these specified parties.



Eugene, Oregon
December 29, 2025

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URBAN RENEWAL AGENCY

A Component Unit of the City of Eugene, Oregon

Annual Financial Report



**Fiscal Year Ended
June 30, 2025**

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URBAN RENEWAL AGENCY
A Component Unit of the City of Eugene, Oregon

Annual Financial Report

Fiscal Year Ended June 30, 2025

(With Report of Independent Auditors 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, 2025

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URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Annual Financial Report

Year Ended June 30, 2025

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URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Principal officials as of June 30, 2025

	<u>Name</u>	<u>Term Expires</u>
Mayor:	Kaarin Knudson	January 2029
Board Members:	Eliza Kashinsky	January 2029
	Matt Keating	January 2029
	Alan Zelenka	January 2027
	Jennifer Yeh	January 2027
	Mike Clark	January 2027
	Greg Evans	January 2027
	Lyndsie Leech	January 2029
	Randy Groves	January 2029
Director:	Sarah Medary	

All correspondence for persons listed above may be sent to

City of Eugene
500 East 4th Avenue, Suite 302
Eugene, Oregon 97401

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Report of Independent Auditors

To the Honorable Mayor, Members of the Urban
Renewal Agency Board, and Administrator of the
Urban Renewal Agency of the City of Eugene, Oregon

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Urban Renewal Agency of the City of Eugene, Oregon (a component unit of the City of Eugene, Oregon) (the Agency) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Agency as of June 30, 2025, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Financial Reporting Entity

As discussed in Note 1, the financial statements present only the Agency, and do not purport to and do not present fairly the financial position of the City of Eugene, Oregon, as of June 30, 2025, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information, such as Management's Discussion and Analysis on pages 7 to 11 and the budgetary comparison information for the General Fund and Riverfront Special Revenue Fund on pages 33 and 34, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Management's Discussion and Analysis in accordance with GAAS, 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 Agency's basic financial statements. The budgetary schedules described above 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 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 GAAS. In our opinion, the budgetary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The accompanying Other Supplementary Information (Supplementary Information), as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Supplementary 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 GAAS. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Agency's listing of principal officials but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

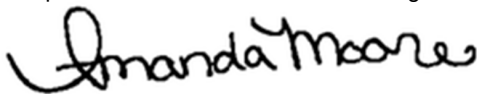
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2025 on our consideration of the Agency'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 Agency'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 Agency's internal control over financial reporting and compliance.

Other Reporting Required by Minimum Standards for Audits of Oregon Municipal Corporations

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated December 29, 2025, on our consideration of the Agency's compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*. 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.



Amanda Moore, Principal, for
Baker Tilly US, LLP
Eugene, Oregon
December 29, 2025

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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, 2025 (FY25). 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 FY23-FY25 adopted budget.

Financial Highlights

- The Agency's total assets at June 30, 2025, decreased \$0.1 million from \$31.0 million to \$30.9 million. The decrease was due to a \$2.6 million decrease in cash and investments, and \$0.5 million increase in receivables, and \$2.0 million increase in capital assets.
- The Agency's total liabilities at June 30, 2025, decreased \$2.4 million from \$3.2 million to \$0.8 million. The decrease was largely due to a \$3.1 million repayment to the intergovernmental loan payable from City of Eugene in FY25 and \$0.7 million increase in accounts payable and other liabilities.
- The net position of the Agency (assets less liabilities) at June 30, 2025, increased \$2.3 million from \$27.8 million to \$30.1 million. Of this amount, \$23.3 million was restricted, and \$6.9 million was invested in capital assets.
- At June 30, 2025, the Agency's governmental funds combined ending fund balances were \$22.1 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 \$6.1 million at the end of FY25. General Fund expenditures for FY25 were \$1.3 million. The General Fund contains operations for the Downtown District.

Overview of the Financial Statements

The following discussion and analysis are 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 a biennial 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.

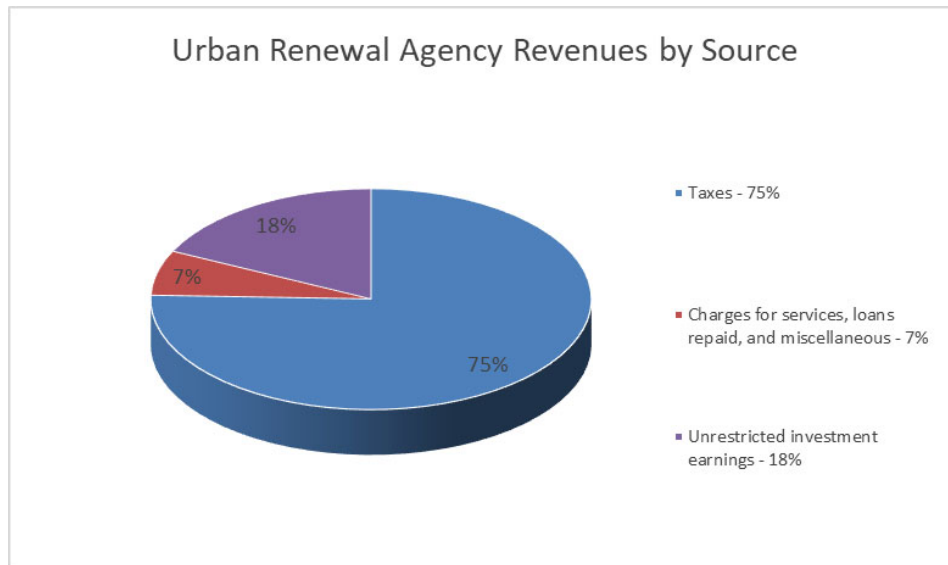
Government-wide Financial Analysis

The Agency's assets exceeded liabilities by \$30.1 million at the close of the most recent fiscal year compared to a net position of \$27.8 million in the previous year.

A portion of the Agency's net position (22.8%) 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 (\$23.3 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>2025</u>	<u>2024</u>
Current and other assets	\$ 24,066,407	26,219,495
Capital assets	6,856,826	4,776,202
Total assets	<u>30,923,233</u>	<u>30,995,697</u>
Current and other liabilities	788,750	3,155,103
Noncurrent liabilities	0	0
Total liabilities	<u>788,750</u>	<u>3,155,103</u>
Net position:		
Invested in capital assets	6,856,826	4,776,202
Restricted	23,277,657	22,447,445
Unrestricted	0	616,947
Total net position	<u>\$ 30,134,483</u>	<u>27,840,594</u>

Urban Renewal Agency's Change in Net Position		
	<u>2025</u>	<u>2024</u>
Revenues:		
Program revenues:		
Charges for services, loans repaid, and miscellaneous	\$ 519,734	38,506
Operating grants and contributions	1,050	300
General revenues:		
Taxes	5,953,045	7,094,604
Investment earnings	1,407,429	1,285,387
Total revenues	<u>7,881,258</u>	<u>8,418,797</u>
Expenses:		
Urban renewal redevelopment	3,355,954	2,710,591
Total expenses	<u>3,355,954</u>	<u>2,710,591</u>
Change in net position before transfers	4,525,304	5,708,206
Transfer of capital outlay to other government	(2,231,415)	(2,217,687)
Change in net position after transfers	<u>2,293,889</u>	<u>3,490,519</u>
Net position, July 1	27,840,594	24,350,075
Net position, June 30	<u>\$ 30,134,483</u>	<u>27,840,594</u>



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 \$22.1 million. All of which is available for spending at the Agency's respective restrictive purposes, 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 \$6.1 million, all of which was available to spend.

In FY25, the Agency had two significant project-related transactions. One project occurred in the Downtown Capital Projects Fund and the other one occurred in the Riverfront Capital Projects Fund, related to a total of \$2.2 million in capital outlay for work done on Downtown redevelopment, including \$1.1 million for the land acquisition, and \$0.9 million for Farmer's Market Improvements; and a total of \$2.2 million in capital outlay for work done on Riverfront redevelopment, including \$1.0 million for the land acquisition and \$0.9 million for the Riverfront Plaza.

General Fund Budgetary Highlights

The difference between the original biennium budget and the amended budget in URA General Fund was an increase of \$1.0 million due to \$0.9 million increase in contractual services, \$0.2 million increase in budget adjustment for FY23-25 balance available, and \$0.1 million decrease in third-party loan payments.

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, 2025, amounted to \$6.9 million.

Urban Renewal Agency's Capital Assets		
	2025	2024
Land	\$ 6,856,826	4,776,202
Total capital assets	\$ 6,856,826	4,776,202

Additional information on the Agency's capital assets can be found in note (4)(C) of this report.

Next Biennium's Budgets and Rates

For the ongoing 2025-2027 biennium, 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 95.6% in the 2025-2027 biennium, which is based on average recent experience with property tax collections. The FY25 collection rate was 95.4% for both the Riverfront and Downtown Districts.

The Downtown District 2025-2027 adopted biennial budget includes housing development fee assistance, physical improvements to address safety and comfort (street, curb, and sidewalk improvements, streetscape projects, and multi-modal transportation improvements), loan program management, and general district oversight.

The Riverfront District 2025-2027 adopted biennial budget includes housing development fee assistance, physical improvements to address safety and comfort (street, curb, and sidewalk improvements, streetscape projects, and multi-modal transportation improvements), East Broadway pedestrian and accessibility Improvements, loan program management, general district oversight, and reimbursement to the City for debt service on bonds issued by the City to provide funding for the Downtown Riverfront.

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:

Twylla Miller
Chief Financial Officer
City of Eugene
500 East 4th Avenue, Suite 303
Eugene, Oregon 97401

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BASIC FINANCIAL STATEMENTS

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Urban Renewal Agency of the City of Eugene, Oregon

Statement of Net Position

June 30, 2025

(amounts in dollars)

Assets

Current Assets

Equity in pooled cash and investments	22,040,934
Receivables (net of allowance)	1,219,630
Due from other governments	26,090
Total current assets	23,286,654

Noncurrent assets

Assets held for resale	779,753
Capital assets:	
Land	6,856,826
Total noncurrent assets	7,636,579
Total assets	30,923,233

Liabilities

Current liabilities

Accounts payable and other liabilities	788,750
Total liabilities	788,750

Net position

Investment in capital assets	6,856,826
Restricted	23,277,657
Total net position	30,134,483

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

Statement of Activities

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Program Revenues				Net Expense and Changes in Net Position
	Expenses	Charges for services, loans repaid, and miscellaneous	Operating Grants and Contributions	Capital Grants and Contributions	
<u>Functions/Programs</u>					<u>Total</u>
<u>Governmental activities:</u>					
Urban renewal redevelopment	3,355,954	519,734	1,050	0	(2,835,170)
Total governmental activities	3,355,954	519,734	1,050	0	(2,835,170)
General revenues:					
Property taxes					5,953,045
Unrestricted investment earnings					1,407,429
Transfer of capital outlay to other government					(2,231,415)
Total general revenues					5,129,059
Change in net position					2,293,889
Net position, July 1, 2024					27,840,594
Net position, June 30, 2025					30,134,483

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

Urban Renewal Agency of the City of Eugene, Oregon

Balance Sheet

Governmental Funds

June 30, 2025

(amounts in dollars)

	General	Debt Service	Capital Projects	Riverfront Special Revenue	Riverfront Capital Projects	Riverfront Program Revenue	Total Governmental Funds
<u>Assets</u>							
Equity in pooled cash and investments	6,014,625	1,111,188	2,323,832	7,813,438	3,691,980	1,085,871	22,040,934
<u>Receivables:</u>							
Interest	0	20,475	0	21,589	0	0	42,064
Taxes	0	116,938	0	141,814	0	0	258,752
Accounts	87,439	0	0	0	0	0	87,439
Loans and notes	897,780	0	0	0	0	0	897,780
Allowance for uncollectibles	(17,485)	0	0	0	0	0	(17,485)
Due from other governments	0	11,997	0	14,093	0	0	26,090
Assets held for resale	0	0	0	0	779,753	0	779,753
Total assets	6,982,359	1,260,598	2,323,832	7,990,934	4,471,733	1,085,871	24,115,327
<u>Liabilities</u>							
Accounts payable	0	0	186,598	0	349,920	0	536,518
Retainage payable	0	0	0	0	252,232	0	252,232
Total liabilities	0	0	186,598	0	602,152	0	788,750
<u>Deferred inflows of resources</u>							
Unavailable revenue	897,780	137,413	0	163,403	0	0	1,198,596
Total deferred inflows of resources	897,780	137,413	0	163,403	0	0	1,198,596
<u>Fund balances</u>							
Restricted	6,084,579	1,123,185	2,137,234	7,827,531	3,869,581	1,085,871	22,127,981
Total fund balances	6,084,579	1,123,185	2,137,234	7,827,531	3,869,581	1,085,871	22,127,981
<u>Total liabilities, deferred inflows of resources, and fund balances</u>							
	6,982,359	1,260,598	2,323,832	7,990,934	4,471,733	1,085,871	

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.	1,149,676
Capital assets are not financial resources in governmental funds but are reported in the Statement of Net Position at their net depreciable value.	6,856,826
Total net position	30,134,483

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

Urban Renewal Agency of the City of Eugene, Oregon
**Statement of Revenues, Expenditures,
and Changes in Fund Balances**

Governmental Funds

For the fiscal year ended June 30, 2025

(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>
Revenues							
Taxes	0	2,790,533	0	3,116,032	0	0	5,906,565
Intergovernmental	1,050	0	0	0	0	0	1,050
Charges for services	4,400	0	0	0	0	0	4,400
Repayment of revolving loans	39,010	0	0	0	0	0	39,010
Miscellaneous, primarily interest	320,820	88,593	192,279	504,554	247,715	54,303	1,408,264
Total revenues	365,280	2,879,126	192,279	3,620,586	247,715	54,303	7,359,289
Expenditures							
Current - departmental:							
Urban renewal expenditures	1,330,871	0	0	636,989	0	0	1,967,860
Debt service:							
Interest	0	0	48,320	0	0	0	48,320
Capital outlay	0	0	2,154,689	0	2,172,952	0	4,327,641
Intergovernmental	0	0	0	1,324,172	0	0	1,324,172
Total expenditures	1,330,871	0	2,203,009	1,961,161	2,172,952	0	7,667,993
Excess (deficiency) of revenues over expenditures	(965,591)	2,879,126	(2,010,730)	1,659,425	(1,925,237)	54,303	(308,704)
Other financing sources (uses)							
Devaluation of asset available for sale	0	0	0	0	(10,760)	0	(10,760)
Transfers in	795,686	0	1,112,526	0	1,759,131	17,044	3,684,387
Transfers out	0	(1,908,212)	0	(1,776,175)	0	0	(3,684,387)
Total other financing sources (uses)	795,686	(1,908,212)	1,112,526	(1,776,175)	1,748,371	17,044	(10,760)
Net change in fund balances	(169,905)	970,914	(898,204)	(116,750)	(176,866)	71,347	(319,464)
Fund balance, beginning of year	6,254,484	152,271	3,035,438	7,944,281	4,046,447	1,014,524	22,447,445
Fund balance, end of year	6,084,579	1,123,185	2,137,234	7,827,531	3,869,581	1,085,871	22,127,981

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

Urban Renewal Agency of the City of Eugene, Oregon

**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, 2025

(amounts in dollars)

Net change in fund balances - total governmental funds	(319,464)
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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 Net Position capitalizes those capital outlay expenditures.	4,312,039
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Transfers of capital assets between different entities sometimes occur. Such transfers will provide or use economic resources, but may not necessarily provide or use spendable financial resources in governmental funds.	(2,231,415)
--	-------------

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.	532,729
--	---------

Change in net position of governmental activities.	<u>2,293,889</u>
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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, 2025

(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 Annual Comprehensive 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, continuedGovernmental Funds, continuedDebt 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.

(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) Assets Held For Resale

Assets 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 \$10,000. Tangible assets include land, rights-of-way (included with land), improvements, and infrastructure.

The Agency capitalizes assets (land and land associated work in process) in the government-wide financial statements. Other Agency assets (buildings, improvements, infrastructure, and associated work in process) are maintained by the City and therefore are capitalized in the City 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 because they will be received in future periods.

(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 \$1,149,676 difference are as follows:

Receivables:	
Interest	\$ 42,064
Taxes	258,752
Loans and notes	897,780
Subtotal	<u>1,198,596</u>
Allowance for uncollectibles	<u>(48,920)</u>
Net adjustment	\$ <u>1,149,676</u>

Capital assets are not financial resources in governmental funds but are reported in the Statement of Net Position at their historical cost. The details of this \$6,856,826 difference are as follows:

Capital assets reported in the Statement of Net Position:	
Land	\$ <u>6,856,826</u>
Net adjustment	\$ <u>6,856,826</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 as transfers of capital assets to other government. The details of this \$4,312,039 difference are as follows:

Capital outlay	\$ 4,312,039
Net adjustment	\$ 4,312,039

Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenue at the net realizable value when earned, regardless of when collected. The details of this \$532,729 difference are as follows:

Change in unavailable revenue from the following sources:	
Property taxes receivable	\$ 46,479
Notes receivable	496,176
Subtotal	542,655
Change in the allowance for doubtful receivables	(9,926)
Net adjustment	\$ 532,729

(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 of a new biennium.

Prior to July 1 of a new biennium, the Agency legally adopts its biennial budget for all funds through passage of a resolution. The resolution authorizes fund appropriations as current biennial departmental requirements, debt service, capital outlay, interfund transfers, and special payments. Expenditures cannot legally exceed appropriations at these control levels. Appropriations which have not been spent at the end of a biennium lapse, although an amending resolution passed in the subsequent biennium specifically provides for the reappropriation of lapsed encumbrances from the prior biennium.

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 \$480,000.

(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, 2025:

Deposits with banks	\$	2,026,072
Investments		<u>20,014,862</u>
	\$	<u><u>22,040,934</u></u>

Detailed information for the Agency's pooled cash and investments can be found in the City's fiscal year 2025 Annual Comprehensive 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	\$	137,413
Riverfront Special Revenue Fund		163,403
Notes receivable:		
General Fund		<u>897,780</u>
Total unavailable/unearned revenue	\$	<u><u>1,198,596</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, 2025, was as follows:

	Beginning balance	Increases	Decreases	Ending balance
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	4,776,202	2,080,624	0	6,856,826
Total capital assets, not being depreciated	4,776,202	2,080,624	0	6,856,826
Governmental activities capital assets	\$ 4,776,202	2,080,624	0	6,856,826

(D) Intergovernmental Loan Payable

On April 27, 2020, the Agency accepted loans from the City to the Riverfront Capital Projects Fund of \$1,400,000 and \$600,000. The notes accrue no interest and mature in 2030. These loans payable were paid in full as of June 30, 2025.

On December 13, 2021, the Agency accepted a loan from the City to the Downtown Capital Projects Fund of \$3,200,000. The loan is scheduled to be repaid in installments of \$1,066,667 over three years with interest at the City's investment portfolio rate. The interest rate for fiscal year ended June 30, 2025 was 4.33%. This loan payable was paid in full as of June 30, 2025.

(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 FY25 Annual Comprehensive 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, 2025, the Agency's property tax revenues were reduced by \$243,317 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.

continued

URBAN RENEWAL AGENCY OF THE CITY OF EUGENE, OREGON

Notes to Basic Financial Statements

(5) Other Information, continued(C) Related Party Transactions

The Agency and the City have entered into an intergovernmental agreement whereby the Agency promises to annually reimburse the City for all staffing, administration, and out of pocket expenses incurred by the City on behalf of the Agency. The services provided include managing the Agency's loan portfolio projects, and real property assets; preparing its annual budget and annual financial report. In addition, the Agency requires occasional services of financial analysts, collection agents, payroll employees and contact specialists. The Agency also borrows funds from the City from time to time to meet its cash flow obligations. See Note (4) (D) for more information on notes payable.

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REQUIRED SUPPLEMENTARY INFORMATION

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Urban Renewal Agency of the City of Eugene, Oregon

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the fiscal year ended June 30, 2025
 (amounts in dollars)

	Biennium Budget		Actual					Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	
Revenues								
Intergovernmental	0	0	300	1,050	1,350	(1,350)	0	1,050
Charges for services	0	0	0	4,400	4,400	(4,400)	0	4,400
Rental income	1,800	1,800	1,295	0	1,295	505	0	0
Repayment of revolving loans	0	0	0	0	0	0	39,010	39,010
Miscellaneous	108,832	108,832	214,676	286,250	500,926	(392,094)	34,570	320,820
Total revenues	110,632	110,632	216,271	291,700	507,971	(397,339)	73,580	365,280
Expenditures								
Current - departmental:								
Planning and development	802,055	1,701,292	579,272	805,686	1,384,958	316,334	525,185	1,330,871
Special payments	4,313,517	4,163,517	49,984	525,185	575,169	3,588,348	(525,185)	0
Total expenditures	5,115,572	5,864,809	629,256	1,330,871	1,960,127	3,904,682	0	1,330,871
Excess (deficiency) of revenues over expenditures	(5,004,940)	(5,754,177)	(412,985)	(1,039,171)	(1,452,156)	(4,302,021)	73,580	(965,591)
Other financing sources (uses)								
Principal payments received	21,188	21,188	26,694	39,010	65,704	(44,516)	(39,010)	0
Transfers in	794,467	1,543,704	579,272	795,686	1,374,958	168,746	0	795,686
Total other financing sources (uses)	815,655	1,564,892	605,966	834,696	1,440,662	124,230	(39,010)	795,686
Net change in fund balance	(4,189,285)	(4,189,285)	192,981	(204,475)	(11,494)	(4,177,791)	34,570	(169,905)
Fund balance, beginning of year	5,852,720	6,085,975	6,085,975	6,278,956	6,085,975	0	(24,472)	6,254,484
Fund balance, end of year	1,663,435	1,896,690	6,278,956	6,074,481	6,074,481	(4,177,791)	10,098	6,084,579

Urban Renewal Agency of the City of Eugene, Oregon

Riverfront Special Revenue Fund*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual		Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual				
Revenues								
Taxes	4,120,000	7,203,000	4,310,697	3,116,032	7,426,729	(223,729)	0	3,116,032
Miscellaneous	116,000	116,000	298,613	455,635	754,248	(638,248)	48,919	504,554
Total revenues	4,236,000	7,319,000	4,609,310	3,571,667	8,180,977	(861,977)	48,919	3,620,586
Expenditures								
Current - departmental:								
Planning and development	740,524	1,478,875	658,724	636,989	1,295,713	183,162	0	636,989
Intergovernmental	8,778,608	8,778,608	1,323,608	1,324,172	2,647,780	6,130,828	0	1,324,172
Total expenditures	9,519,132	10,257,483	1,982,332	1,961,161	3,943,493	6,313,990	0	1,961,161
Excess (deficiency) of revenues over expenditures	(5,283,132)	(2,938,483)	2,626,978	1,610,506	4,237,484	(7,175,967)	48,919	1,659,425
Other financing sources (uses)								
Transfers out	0	(2,214,044)	0	(1,776,175)	(1,776,175)	(437,869)	0	(1,776,175)
Total other financing sources (uses)	0	(2,214,044)	0	(1,776,175)	(1,776,175)	(437,869)	0	(1,776,175)
Net change in fund balance	(5,283,132)	(5,152,527)	2,626,978	(165,669)	2,461,309	(7,613,836)	48,919	(116,750)
Fund balance, beginning of year	5,341,167	5,348,708	5,348,708	7,975,686	5,348,708	0	(31,405)	7,944,281
Fund balance, end of year	58,035	196,181	7,975,686	7,810,017	7,810,017	(7,613,836)	17,514	7,827,531

OTHER SUPPLEMENTARY INFORMATION

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Urban Renewal Agency of the City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
Revenues								
Taxes	2,890,000	5,875,000	2,749,673	2,790,533	5,540,206	334,794	0	2,790,533
Miscellaneous	14,000	14,000	94,782	82,820	177,602	(163,602)	5,773	88,593
Total revenues	2,904,000	5,889,000	2,844,455	2,873,353	5,717,808	171,192	5,773	2,879,126
Expenditures								
Total expenditures	0	0	0	0	0	0	0	0
Excess (deficiency) of revenues over expenditures	2,904,000	5,889,000	2,844,455	2,873,353	5,717,808	171,192	5,773	2,879,126
Other financing sources (uses)								
Transfers out	(2,991,800)	(5,866,037)	(3,429,453)	(1,908,212)	(5,337,665)	(528,372)	0	(1,908,212)
Total other financing sources (uses)	(2,991,800)	(5,866,037)	(3,429,453)	(1,908,212)	(5,337,665)	(528,372)	0	(1,908,212)
Net change in fund balance	(87,800)	22,963	(584,998)	965,141	380,143	(357,180)	5,773	970,914
Fund balance, beginning of year	663,745	737,831	737,831	152,833	737,831	0	(562)	152,271
Fund balance, end of year	575,945	760,794	152,833	1,117,974	1,117,974	(357,180)	5,211	1,123,185

Urban Renewal Agency of the City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual					
	Original	Final	First Year Actual	Second Year Actual	Total Actual	Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
Revenues								
Miscellaneous	36,000	36,000	89,224	173,791	263,015	(227,015)	18,488	192,279
Total revenues	36,000	36,000	89,224	173,791	263,015	(227,015)	18,488	192,279
Expenditures								
Current - departmental:								
Debt service								
Principal	2,133,333	2,133,333	1,066,667	1,066,666	2,133,333	0	(1,066,666)	0
Interest	64,000	134,000	77,440	48,320	125,760	8,240	0	48,320
Capital outlay	2,560,379	4,503,603	125,401	2,154,689	2,280,090	2,223,513	0	2,154,689
Total expenditures	4,757,712	6,770,936	1,269,508	3,269,675	4,539,183	2,231,753	(1,066,666)	2,203,009
Excess (deficiency) of revenues over expenditures	(4,721,712)	(6,734,936)	(1,180,284)	(3,095,884)	(4,276,168)	(2,458,768)	1,085,154	(2,010,730)
Other financing sources (uses)								
Transfers in	2,197,333	4,322,333	2,850,181	1,112,526	3,962,707	359,626	0	1,112,526
Total other financing sources (uses)	2,197,333	4,322,333	2,850,181	1,112,526	3,962,707	359,626	0	1,112,526
Net change in fund balance	(2,524,379)	(2,412,603)	1,669,897	(1,983,358)	(313,461)	(2,099,142)	1,085,154	(898,204)
Fund balance, beginning of year	2,560,379	2,448,603	2,448,603	4,118,500	2,448,603	0	(1,083,062)	3,035,438
Fund balance, end of year	36,000	36,000	4,118,500	2,135,142	2,135,142	(2,099,142)	2,092	2,137,234

Urban Renewal Agency of the City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
Revenues								
Miscellaneous	2,125,421	2,125,421	239,734	223,577	463,311	1,662,110	24,138	247,715
Total revenues	2,125,421	2,125,421	239,734	223,577	463,311	1,662,110	24,138	247,715
Expenditures								
Debt service								
Principal	2,000,000	2,000,000	0	2,000,000	2,000,000	0	(2,000,000)	0
Capital outlay	6,419,326	7,373,295	2,113,851	2,172,952	4,286,803	3,086,492	0	2,172,952
Total expenditures	8,419,326	9,373,295	2,113,851	4,172,952	6,286,803	3,086,492	(2,000,000)	2,172,952
Excess (deficiency) of revenues over expenditures	(6,293,905)	(7,247,874)	(1,874,117)	(3,949,375)	(5,823,492)	(1,424,382)	2,024,138	(1,925,237)
Other financing sources (uses)								
Devaluation of asset available for sale	0	0	0	0	0	0	(10,760)	(10,760)
Transfers in	0	2,197,000	0	1,759,131	1,759,131	437,869	0	1,759,131
Transfers out	(1,000,000)	(3,000,000)	(1,000,000)	0	(1,000,000)	(2,000,000)	0	0
Total other financing sources (uses)	(1,000,000)	(803,000)	(1,000,000)	1,759,131	759,131	(1,562,131)	(10,760)	1,748,371
Net change in fund balance	(7,293,905)	(8,050,874)	(2,874,117)	(2,190,244)	(5,064,361)	(2,986,513)	2,013,378	(176,866)
Fund balance, beginning of year	9,207,301	8,150,853	8,150,853	5,276,736	8,150,853	0	(1,230,289)	4,046,447
Fund balance, end of year	1,913,396	99,979	5,276,736	3,086,492	3,086,492	(2,986,513)	783,089	3,869,581

Urban Renewal Agency of the City of Eugene, Oregon

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

For the fiscal year ended June 30, 2025

(amounts in dollars)

	Biennium Budget		Actual			Variance With Final Budget	Year 2 Adjustment	Year 2 GAAP basis
	Original	Final	First Year Actual	Second Year Actual	Total Actual			
<u>Revenues</u>								
Miscellaneous	0	0	18,542	48,410	66,952	(66,952)	5,893	54,303
Total revenues	0	0	18,542	48,410	66,952	(66,952)	5,893	54,303
<u>Expenditures</u>								
Special payments	1,000,000	1,000,000	0	0	0	1,000,000	0	0
Total expenditures	1,000,000	1,000,000	0	0	0	1,000,000	0	0
Excess (deficiency) of revenues over expenditures	(1,000,000)	(1,000,000)	18,542	48,410	66,952	(1,066,952)	5,893	54,303
<u>Other financing sources (uses)</u>								
Transfers in	1,000,000	3,017,044	1,000,000	17,044	1,017,044	2,000,000	0	17,044
Transfers Out	0	0	0	0	0	0	0	0
Total other financing sources (uses)	1,000,000	3,017,044	1,000,000	17,044	1,017,044	2,000,000	0	17,044
Net change in fund balance	0	2,017,044	1,018,542	65,454	1,083,996	933,048	5,893	71,347
Fund balance, beginning of year	0	0	0	1,018,542	0	0	(4,018)	1,014,524
Fund balance, end of year	0	2,017,044	1,018,542	1,083,996	1,083,996	933,048	1,875	1,085,871

AUDIT COMMENTS

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AUDIT COMMENTS
(Comments and Disclosures Required by State Regulators)

Oregon Administrative Rules 162-10-0000 through 162-10-0320, 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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Report of Independent Auditors Required by Oregon State Regulations

To the Honorable Mayor, Members of the Urban
Renewal Agency Board, and Administrator of the
Urban Renewal Agency of the City of Eugene, Oregon

We have audited, 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 the financial statements of the governmental activities and each major fund of Urban Renewal Agency of the City of Eugene, Oregon (a component unit of the City of Eugene, Oregon) (the Agency) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Urban Renewal Agency of the City of Eugene, Oregon's basic financial statements, and have issued our report thereon dated December 29, 2025.

Compliance

As part of obtaining reasonable assurance about whether the Agency's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules (OAR) 162-010-0000 to 162-010-0330, of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the financial statements. 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:

- Accounting records and internal control
- Public fund deposits
- Indebtedness
- Budget
- Insurance and fidelity bonds
- Programs funded from outside sources
- Investments
- Public contracts and purchasing

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

In connection with our testing, nothing came to our attention that caused us to believe the Agency was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of ORS, as specified in OAR 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing 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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

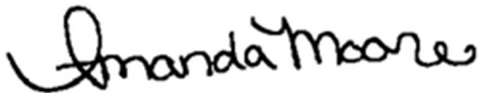
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination 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 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 or significant deficiencies may exist that have not been identified.

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 Agency's internal control or on compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the board of directors and management of the Agency and the Oregon Secretary of State and is not intended to be, and should not be, used by anyone other than these parties.



Amanda Moore, Principal, for
Baker Tilly US, LLP
Eugene, Oregon
December 29, 2025

GOVERNMENT AUDITING STANDARDS

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Report of Independent Auditors 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, Members of the Urban
Renewal Agency Board, and Administrator of the
Urban Renewal Agency of the City of Eugene, Oregon

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 (*Government Auditing Standards*), the financial statements of the governmental activities and each major fund of the Urban Renewal Agency of the City of Eugene, Oregon (a component unit of the City of Eugene, Oregon) (the Agency), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Urban Renewal Agency's basic financial statements, and have issued our report thereon December 29, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing 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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 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 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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 financial statements. 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 Agency'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Baker Tilly US, LLP

Eugene, Oregon
December 29, 2025

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Action: An Ordinance Concerning Elections and Amending Sections 2.961, 2.964, 2.974, 2.975, 2.979, and 2.984 of the Eugene Code, 1971

Meeting Date: January 26, 2026
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 10
Staff Contact: Katie LaSala
Phone: 541-682-5882

ISSUE STATEMENT

This item is for the purpose of taking action on a proposed ordinance that makes administrative updates to the Eugene Code (EC) concerning elections. The proposed changes would align with legislative changes made to state statutes and rules and provide clarity on certain City Recorder processes. A public hearing was held on January 20, 2026 and no one spoke to the topic.

BACKGROUND

The last substantive update to the City's elections code was in 2008. Since the last update, key legislative changes have been made at the state level, resulting in a need to review and make administrative updates to the Eugene Code to maintain alignment with state statutes and Oregon Administrative Rules. There is also one adjustment to code language recommended by staff to provide clarity around current City process. To streamline administration of elections and align with state requirements and current practices, staff propose amending the code as detailed in Attachment A.

EC 2.961: Elections – Definitions

The definition of “special election” in city code currently refers to the second Tuesday in March, the third Tuesday in May, the third Tuesday in September or the first Tuesday after the first Monday in November as options for special election dates as defined by ORS 221.230(1). ORS 221.230(1) has been updated to eliminate the special election date in September and to add a special election date on the fourth Tuesday in August. The proposed amendment would align code language with the updated state statute.

EC 2.964(4): Elections – Nominations

The Eugene Code currently states that candidate nominating petitions shall be submitted to the city recorder at least 76 days before the first election for filling the office. Current code language applies to all candidates, regardless of incumbent status. House Bill (HB) 4024 from the 2024 legislative session requires incumbents to submit their completed filings seven days prior to the deadline for non-incumbent candidates. To ensure alignment with the new requirement, the proposed amendment would require incumbent candidates to submit their completed filings seven days prior to the deadline for non-incumbent candidates.

EC 2.984: Elections – Notice

Currently, the Eugene Code requires the city recorder to “give 10 days’ notice” of an election by one

January 26, 2026 Meeting – Item 10

publication of the notice in a newspaper of general circulation in the City. Staff are proposing a code amendment to change the words “10 days’ notice” to “not less than 10 days’ notice” because an “exactly 10 day” requirement could be a problem for publication deadlines. Adding the words “not less than” will ensure that the public receives at least ten days’ notice of an election but will also allow the City Recorder to publish more than 10 days in advance of an election if necessary to meet publication deadlines.

EC 2.974(b): Elections – Initiative and Referendum, Petition Requirements; EC 2.975(2)(a): Elections – Form of Petition and Signature Requirements.

The Eugene Code currently requires that a prospective petition that contain the names and addresses of the chief petitioners. State law changed in 2021 (with Senate Bill (SB) 27) to require that prospective petitions only include the city and state of residence of the chief petitioners. This proposed amendment would only impact the cover sheets that circulate. Chief petitioners are still required under 2.974(a) to submit forms that include their residential addresses, which are used to verify eligibility to serve as a chief petitioner on Eugene initiatives or referendums. The proposed amendment would align code language with the updated state statute.

EC 2.979(1): Elections – Initiative and Referendum, Verification of Signatures, Completed Petition.

Recently, the state updated the timeline for completing signature verifications of a completed petition from 15 days to 30 days after the required number of signatures are filed. City code still reflects a 15-day timeline for verification to be completed. With the intent of allowing the County the maximum number of days to process signatures under state rule, staff are recommending an update to the code to align with the adopted timelines within the state’s manual.

RELATED CITY POLICIES

The City Recorder’s Office efforts align with the following Strategic Goals within the City’s [Strategic Plan](#):

1. Improve organizational processes to increase efficiency, balance workload, and meet strategic priorities.

PREVIOUS COUNCIL DIRECTION

[January 20, 2026 Public Hearing](#)

A public hearing was held on the ordinance that would amend City Code regarding specific elections processes. No speakers provided testimony.

COUNCIL OPTIONS

1. Adopt the ordinance as presented.
2. Direct the City Manager to bring back an updated ordinance with specific modifications as determined by the City Council.
3. Take no action at this time.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends option 1, adoption of the changes as outlined in Attachment A.

January 26, 2026 Meeting – Item 10

SUGGESTED MOTION

Move to approve an ordinance concerning elections and amending sections 2.961, 2.964, 2.974, 2.975, 2.979, and 2.984 of the Eugene Code, 1971.

ATTACHMENTS

- A. Proposed Ordinance: An Ordinance Concerning Elections and Amending Sections 2.961, 2.964, 2.974, 2.975, 2.979, and 2.984 of the Eugene Code, 1971.

FOR MORE INFORMATION

Staff Contact: Katie LaSala, City Recorder

Telephone: 541-682-5882

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

ORDINANCE NO. _____

**AN ORDINANCE CONCERNING ELECTIONS AND AMENDING SECTIONS
2.961, 2.964, 2.974, 2.975, 2.979, AND 2.984 OF THE EUGENE CODE, 1971.**

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. Section 2.961 of the Eugene Code, 1971, is amended by amending the definition of “special election” to provide as follows:

2.961 Elections – Definitions.

As used in sections 2.960 to 2.1005 of this code, the following words and phrases mean:-

Special election. An election other than a primary or general election, held on one of the dates described in ORS 221.230(1) ~~or successor statute~~ (the second Tuesday in March, the third Tuesday in May, the ~~third~~ fourth Tuesday in ~~September~~ August or the first Tuesday after the first Monday in November).

Section 2. Section 2.964 of the Eugene Code, 1971, is amended by amending subsection (4), adding new subsections (5) and (6), and amending subsection (5) and renumbering it to (7) to provide as follows:

2.964 Elections – Nomination.

(4) Except as provided in subsections (5) and (6) of this section, ~~in~~ a year for filling an office referred to in subsection (1), (2), or (3) of this section, a nomination of a candidate for the office shall be conducted in accordance with the state law governing popular elections. ~~except that the nominating petition shall be submitted to the city recorder at least 76 days before the first election for filling the office and it shall be signed by 25 electors who reside in the area to be represented by the office.~~

(5) The nominating petition for an incumbent city official who intends to seek reelection to the same office shall be submitted to the city recorder at least 83 days before the first election for filling the office and it shall be signed by 25 electors who reside in the area to be represented by the office.

(6) The nominating petition for a candidate who is not an incumbent shall be submitted to the city recorder at least 76 days before the first election for filling the office and it shall be signed by 25 electors who reside in the area to be represented by the office.

(75) The city recorder or designee shall verify the signatures on a nominating petition as provided in section 2.979(1) of this code. Any signature which is not the signature of an elector who resides in the area to be represented by the office for which the nominating petition was circulated shall not be counted toward the number of signatures required by subsections (5) or (6)-(4) of this section.

Section 3. Section 2.974 of the Eugene Code, 1971, is amended to provide as follows:

2.974 Elections – Initiative and Referendum, Petition Requirements.

No completed initiative or referendum petition may be submitted to the city recorder unless:

- (a) Prior to its circulation a prospective petition was submitted to the city recorder. The prospective petition must contain a copy of the legislation sought to be submitted to the electors and a signed statement on the face of the petition of the names and city and state of residence ~~addresses~~ of not more than three chief petitioners. If one or more of the chief petitioners is an organization, the prospective petition shall disclose the name and address of the organization, the name and ~~address~~ city and state of residence of each of the principal officers of the organization and the signature of the chief officer of the organization;
- (b) As circulated, the prospective petition complies with the city recorder's specifications and the requirements of this code, contains the caption or ordinance title required by section 2.975 of this code, and contains the names and ~~addresses~~ cities and states of residence of each of the chief petitioners;
- (c) The date of the first signature on the petition is no later than 90 days after the issuance of the ballot title on the measure; and
- (d) The completed petition is submitted to the city recorder for signature verification no later than 100 days after the date of the first signature on the petition. A completed referendum petition shall be submitted to the city recorder by that time or by the effective date of the legislation sought to be referred, whichever is earlier.

Section 4. Subsection (2)(a) of Section 2.975 of the Eugene Code, 1971, is amended to provide as follows:

2.975 Elections – Form of Petition and Signature Requirements.

- (1) Signature sheets for an initiative or referendum petition shall be double-sided.
- (2) The front side of each signature sheet shall contain:
 - (a) The names and cities and states of residence ~~addresses~~ of all chief petitioners;

Section 5. Subsection (1) of Section 2.979 of the Eugene Code, 1971, is amended to provide as follows:

2.979 Elections – Initiative and Referendum, Verification of Signatures, Completed Petition.

(1) A completed initiative or referendum petition shall be submitted to the city recorder for signature verification. The city recorder may not accept for signature verification any petition sheets that do not comply with the requirements contained in state statute and this code for signature sheets. Within ~~45~~30 days of submission of a completed initiative or referendum petition for signature verification, the city recorder or the recorder's designee shall, by reference to the records in the Lane County Elections office, verify the number and genuineness of the signatures and the voting qualifications of the signers; and, if electors in a number sufficient under section 2.972 of this code have signed the petition, the city recorder shall so certify the petition. If the city recorder determines that the petition contains an insufficient number of elector signatures, the petition shall be returned to the chief petitioners.

Section 6. Section 2.984 of the Eugene Code, 1971, is amended to provide as follows:

2.984 Elections – Notice.

The city recorder shall give not less than 10 days' notice of an election by one publication of the notice in a newspaper of general circulation in the city. The notice need not set forth in full any measure to be submitted to the electors at the election, but the notice shall state the ballot title of each measure.

Section 7. The City Recorder, at the request of, or with the consent of the City Attorney, is authorized to administratively correct any reference errors contained herein, or in other provisions of the Eugene Code, 1971, to the provisions added, amended or repealed herein.

Passed by the City Council this

___ day of _____, 2026

Approved by the Mayor this

___ day of _____, 2026

City Recorder

Mayor

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Action: An Ordinance Concerning State Traffic Laws; Amending Section 5.005 of the Eugene Code, 1971; and Providing an Immediate Effective Date

Meeting Date: January 26, 2026
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 11
Staff Contact: Travis Smith
Phone: 541-682-8402

ISSUE STATEMENT

The purpose of this meeting is to consider adopting amendments to Section 5.005 of the Eugene Code, 1971 (EC) by re-adopting the state's statutory traffic code provisions. This proposed ordinance updates the Eugene Code to include changes made during the 2025 session by the Oregon State Legislature. Because 2025 legislative changes have already gone into effect, the ordinance provides for an immediate effective date so that the traffic laws that went into effect on January 1, 2025, or before, can be prosecuted in the Eugene Municipal Court. For the ordinance to take immediate effect there must be an affirmative vote of two-thirds of the Council on the ordinance. A public hearing on this ordinance was held on January 20, 2026.

BACKGROUND

Eugene Code (EC) 5.005, State Traffic Laws, incorporates by reference state statutory traffic laws, so that violations of state traffic laws are offenses against the City and, therefore, prosecutable in Eugene Municipal Court. EC 5.005 must be regularly re-adopted to incorporate any changes the Oregon State Legislature made to state traffic laws during its legislative session. For example, during the legislature's 2025 session, it adopted the following bills:

- SB 839: Modifies laws that regulate the operation of commercial vehicles.
- SB 840: Modifies and adds laws related to regulating vehicle drivers, vehicles, vehicle insurance, driver records, vehicle dealers and dismantlers.
- SB 1161: Includes in the exceptions to a violation of 811.507 (Operating motor vehicle while using mobile electronic device) those operating an organ transport vehicle.
- HB 2155: Expands the confidential use of vehicle accident reports to include law enforcement agencies for investigatory purposes.
- HB 2530: Modifies school bus stop arm camera law, impacting the applicability of ORS 811.155 (failure to stop for bus safety lights).

In order to appropriately prosecute an offense in municipal court under the affected laws, the Council must re-adopt EC 5.005 to incorporate these legislative changes.

Historically, every year the City Council updates the Eugene Code to ensure that the Code provisions are consistent with state legislative changes to the Oregon Vehicle Code. EC 5.005 was last updated on February 24, 2025. Since that time, the Legislative Assembly has made changes to the

January 26, 2026 Meeting – Item 11

Oregon Vehicle Code necessitating an amendment to EC 5.005 in order to maintain consistency between state statutes and the Eugene Code.

PREVIOUS COUNCIL DIRECTION

[February 24, 2025, Council Meeting](#)

Councilor Evans, seconded by Councilor Leech, moved to adopt An Ordinance Concerning State Traffic Laws; Amending Section 5.005 of the Eugene Code, 1971; and Providing an Immediate Effective Date.

Passed 8:0

[January 20, 2026, Public Hearing](#)

A public hearing on the ordinance was held on January 20, 2026. No testimony was provided to City Council.

COUNCIL OPTIONS

1. Adopt the ordinance as proposed.
2. Take no action at this time.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends adopting the ordinance as proposed.

SUGGESTED MOTION

Move to adopt An Ordinance Concerning State Traffic Laws; Amending Section 5.005 of the Eugene Code, 1971; and Providing an Immediate Effective Date.

ATTACHMENTS

- A. Proposed Ordinance: An Ordinance Concerning State Traffic Laws; Amending Section 5.005 of the Eugene Code, 1971; and Providing an Immediate Effective Date

FOR MORE INFORMATION

Staff Contact: Travis Smith, City Prosecutor

Telephone: 541-682-8402

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

ORDINANCE NO. _____

AN ORDINANCE CONCERNING STATE TRAFFIC LAWS; AMENDING SECTION 5.005 OF THE EUGENE CODE, 1971; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. Section 5.005 of the Eugene Code, 1971, is amended to provide:

5.005 State Traffic Laws. The provisions of ORS Chapters 801, 802, 803, 805, 806, 807, 809, 810, 811, 813, 814, 815, 816, 818, 819, 820, 821, 822, 823, 825 and OAR 740.100.0010 issued thereunder, and Chapter 153, except for ORS 153.019, ORS 153.020, and ORS 153.021, are hereby adopted, and violations thereof shall constitute an offense against the city.

Section 2. The City Recorder, at the request of, or with the concurrence of the City Attorney, is authorized to administratively correct any reference errors contained herein or in other provisions of the Eugene Code, 1971, to the provisions added, amended or repealed herein.

Section 3. As a result of certain Bills that passed during the 2025 Legislative Session, many of which have already become effective, it is necessary to amend the City Code provision relating to State Traffic Laws immediately. Therefore, pursuant to the provisions of Section 32(2) of the Eugene Charter of 2002, with the affirmative vote of two-thirds of the members of the City Council, this Ordinance shall become effective upon adoption by the Council and approval by the Mayor, or passage over the Mayor's veto.

Passed by the City Council this

___ day of _____, 2026

City Recorder

Approved by the Mayor this

___ day of _____, 2026

Mayor

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Public Comment

Meeting Date: January 26, 2026
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 12
Staff Contact: Rosa Roach
Phone: 541-682-8497

ISSUE STATEMENT

This item allows members of the public the opportunity to express opinions and provide information to the council. Comments presented during the public comment period should be on city-related issues and should not address items which have already been heard by a Hearings Official, items on the present agenda as a public hearing item, or items related to a quasi-judicial matter after the official record has been closed.

BACKGROUND

Per City Council's operating agreement, speakers at the public comment period will be limited to two and a half minutes and the total time will be limited to 90 minutes total. Speakers will be randomized, and no persons will be allowed to submit a "Request to Speak" form more than 30 minutes prior to the start of the meeting. Persons wishing to speak must sign up to do so not later than 5 minutes after the meeting has been opened by the Mayor or presiding officer.

At the end of the public comment period each member of the Council has the opportunity to respond to comments made. The time allocated to each member of the Council for such responses shall be up to three minutes.

FOR MORE INFORMATION

Staff Contact: Rosa Roach, City Council Coordinator
Telephone: 541-682-8497
Staff E-Mail: rroach@eugene-or.gov