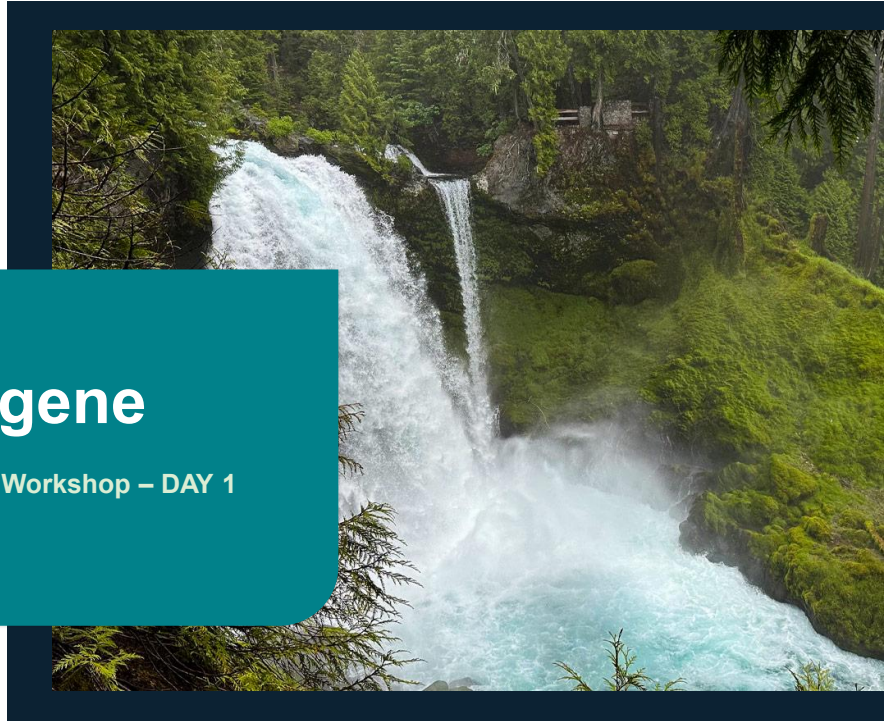




City of Eugene

Financial Sustainability Workshop – DAY 1

June 30 – July 1, 2026



1

Opening Comments



2

Objectives

1 Develop budget principles to guide fiscal decision-making

2 Affirm elements of a service framework

3 Align Council around key strategic goals

3

Introductions



1. Name; years serving Eugene

2. How are you showing up today?

3. Hopes for our time together

4

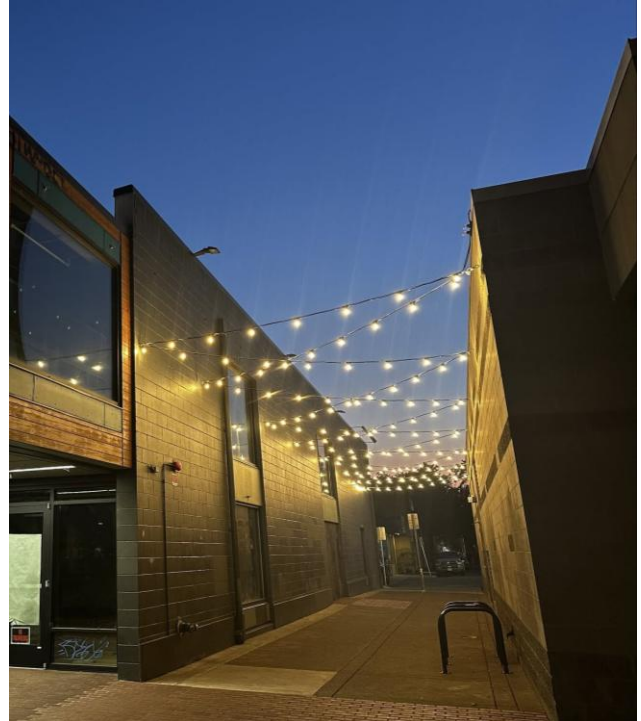
Day One Agenda

Governance

Budget Principles

Services Framework

Strategic Planning – Part 1



6

Norms for Our Time Together

Listen	Listen to understand
Engage	Engage in conversations, stay focused, and share ideas
Be open	Be open to new or different perspectives
Seek consensus	Look for opportunities to agree
Have fun!	Enjoy the experience

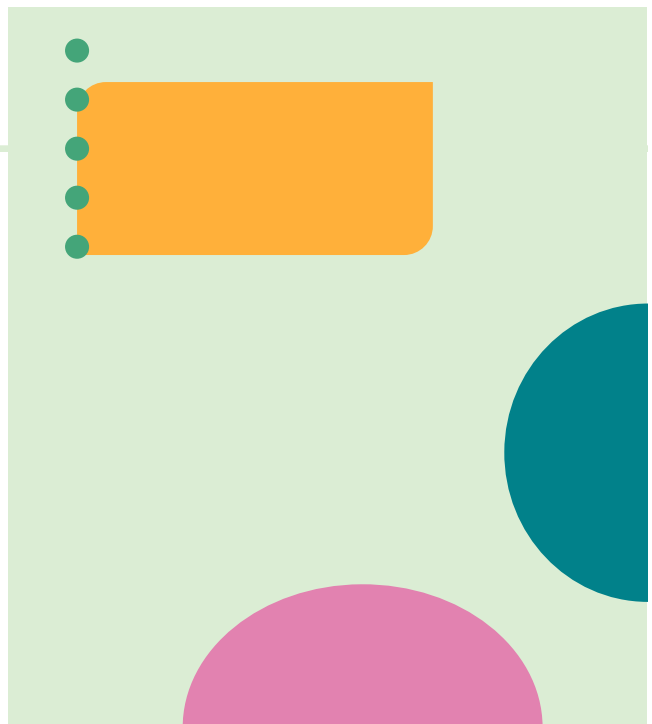
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Bike Rack



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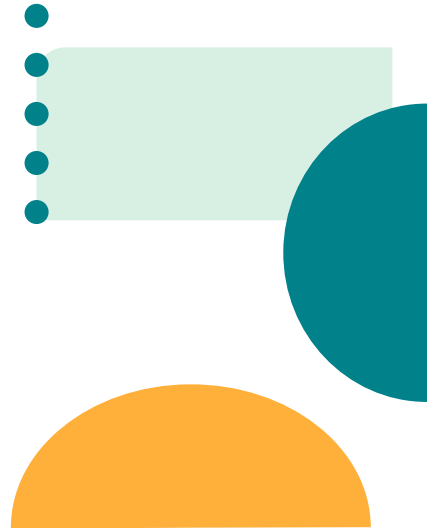
Recap of Preparatory Information Sessions



9

Themes from Council Interviews

- The structural budget challenge is complex and requires a different kind of response
- Councilors expressed the importance of long-term planning; but do connect to the city's current strategic plan
- It will be important to maintain balance between short- and long-term focus
- Councilors noted the importance of civility and a desire to sustain effective working relationships



10

Governance



11

Governance is a
TEAM SPORT



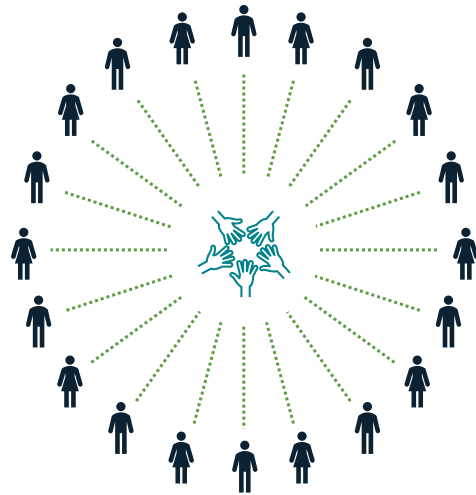
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When this Council is at its best,
what makes that possible?

13

You govern as
a body, for the
entire city



14

Maintaining Good Governance



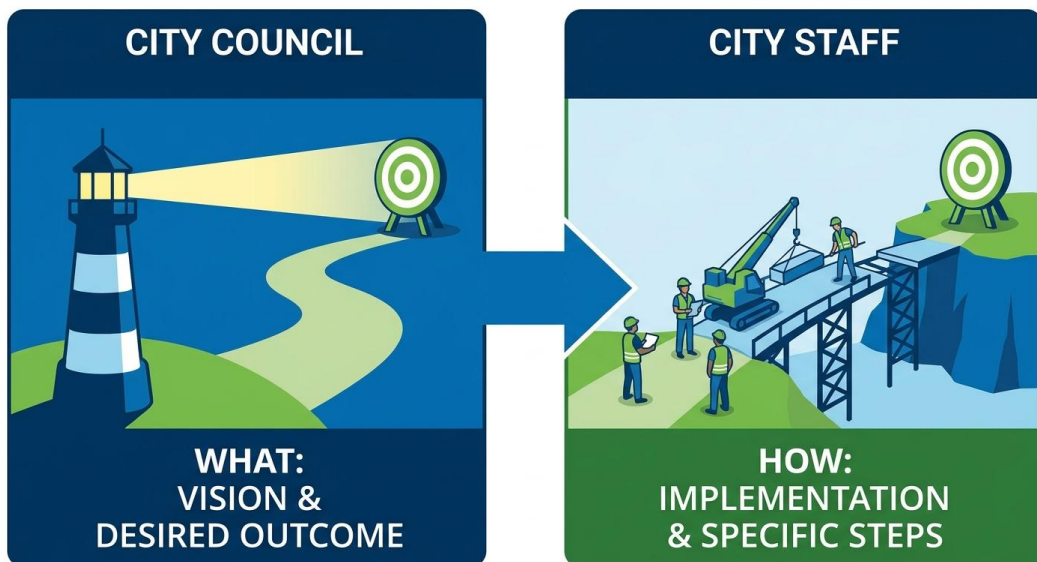
Good governance is especially important when navigating tension among competing values

15



16

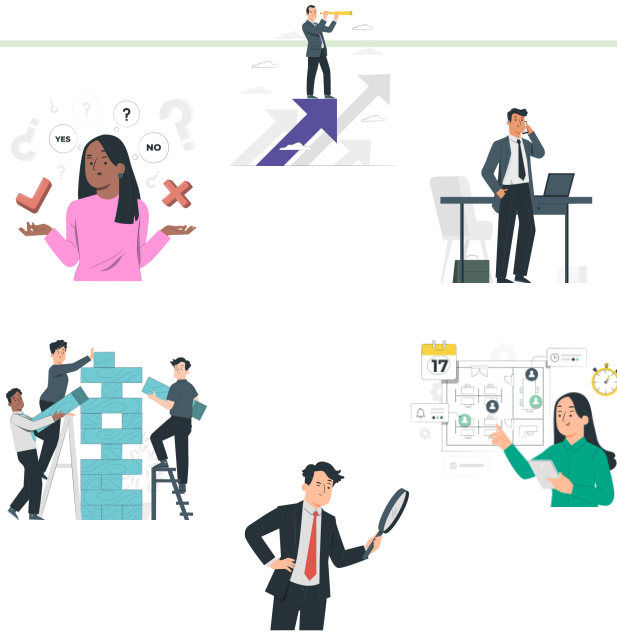
Understanding Roles



17

Council Roles

In 2016, Dr. John Nalbandian and Julia Novak identified six roles the City Council must fulfill as the governing body



18



1

Setting strategic direction

Being a big picture thinker

19



2

Fulfilling a stewardship role

As you allocate resources to align the organization behind your collective priorities

20



3

Be a customer service representative and constituent advocate

Helping neighbors who look to you to help them interface with matters large and small with the City administration

21



4

Being a community builder

Bringing the community and communities of interest together to increase their connection to one another and the City

22



5

Making decisions

Weighing competing priorities and values -- and voting up or down on issues that are brought before you

23



6

Providing oversight

You provide oversight and ensure accountability of the City Manager

24

GOVERNANCE

Discussion

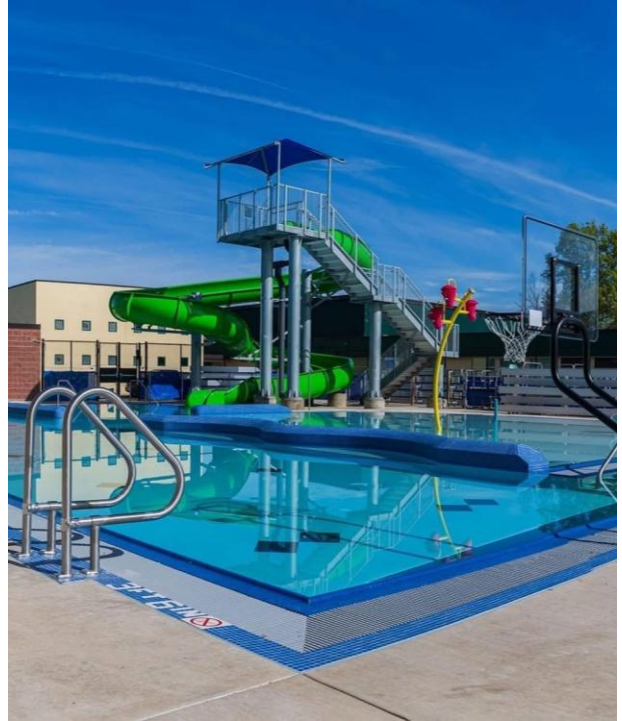
- Strategic Direction
- Stewardship
- Customer Representative
- Community Builder
- Decision-Maker
- Oversight

- What role(s) come most naturally to you?
- What do these roles mean in practice for the decisions ahead?



25

Break



26

Budget Principles



27

Proposed Budget Principles

1. Prioritize core and essential services.*
2. Maintain strong financial reserves.
3. Evaluate all services and pursue efficiencies.
4. Align ongoing commitments with sustainable funding.
5. Strengthen and diversify revenue sources.
6. Use one-time resources for one-time purposes.
7. Make decisions with a long-term perspective.
8. Promote transparency and shared understanding.
9. Advance financial sustainability.
10. Connect the budget to strategic goals.

28

BUDGET PRINCIPLES

Discussion

What changes, additions,
or deletions
would strengthen them?

How can you use these
principles to guide
Eugene's financial
decisions?



29

Service Framework



30

SERVICE FRAMEWORK

Purpose

1. **Grounds decisions in shared criteria**
2. **Provides guidance when building budget requests**
3. **Bridges between political acceptability and administrative sustainability**
4. **Supports long-term financial sustainability**
5. **Makes trade-offs visible and reduces ambiguity**

31



32

SERVICE FRAMEWORK

1. Required Services

Definition:

Programs and services the City must provide to comply with federal or state law, City Charter requirements, court orders, or regulatory requirements.

Key Question:

1. Is the service required by law, regulation, charter, or court order?

Budget Decision Considerations:

- Community Impact
- Organizational Impact
- Risk
- Strategic Alignment
- Service Level
- Cost and Sustainability
- Alternative Service Delivery
- Revenue and Cost Recovery

33

SERVICE FRAMEWORK

2. Essential Services

Definition:

Programs and services necessary to protect public health, safety, critical infrastructure, and continuity of government operations.

Key Questions:

1. Does the service protect life, safety, health, or critical infrastructure?
2. Would significant service reductions create unacceptable community or organizational risk?
3. Is the service necessary for the City to effectively function?

Budget Decision Considerations:

- Community Impact
- Organizational Impact
- Risk
- Strategic Alignment
- Service Level
- Cost and Sustainability
- Alternative Service Delivery
- Revenue and Cost Recovery

34

SERVICE FRAMEWORK

3. Core Community Services

Definition:

Programs and services that residents reasonably expect their local government to provide and that contribute to community livability, identity, and quality of life.

Key Questions:

1. Does the service contribute to community livability, identity, and quality of life?
2. Is the service typically offered to residents of comparably sized cities?

Budget Decision Considerations:

- Community Impact
- Organizational Impact
- Risk
- Strategic Alignment
- Service Level
- Cost and Sustainability
- Alternative Service Delivery
- Revenue and Cost Recovery

35

SERVICE FRAMEWORK

4. Strategic Priority Services

Definition:

Programs and services that advance Council goals, respond to emerging community needs, foster innovation, or create targeted community benefits beyond core service expectations.

Key Questions:

1. Does the service directly support an adopted strategic goal?
2. Does the service address a significant emerging need or opportunity?
3. Does the service create measurable benefits that will exceed core service expectations?

Budget Decision Considerations:

- Community Impact
- Organizational Impact
- Risk
- Strategic Alignment
- Service Level
- Cost and Sustainability
- Alternative Service Delivery
- Revenue and Cost Recovery

36

SERVICE FRAMEWORK

How the Framework is Owned and Applied

Staff Responsibility
SERVICE CATEGORIZATION

Using Council-affirmed definitions, staff categorizes all city services into the four service tiers.

This process is owned and administered by staff to ensure consistent, criteria-based classification.

Council Responsibility
BUDGET DECISIONS

Council applies additional policy and community (political) lens when making final budget decisions—service categories are used as a foundation.

37

SERVICE EVALUATION FRAMEWORK

Discussion

Do any of the service categories need to change?

Is the intent clear?

Is anything missing or in need of reframing?



38

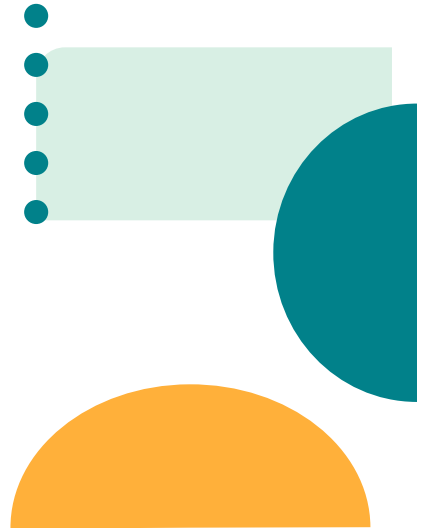
Strategic Planning



39

Themes from Interviews

- Address the budget gap
- Develop long-term revenue solutions
- Improve housing affordability/availability
- Public safety
- Fire governance
- Homelessness
- Library and cultural services
- Increase economic development and tax base growth
- Fix road infrastructure



40

COMMUNITY SURVEY

Urgent Concerns (2025)

- Homelessness
- Housing
- Illegal activity/public safety
- City budget/taxes
- Transportation
- Livability



41

Potential Council Areas of Interest

Financial Sustainability	Revenue options; cost containment/efficiencies; service delivery alternatives
Public Safety	Fire governance, emergency preparedness; community trust building; traffic safety
Thriving Community	Economic development; library cultural services; climate action; belonging/engagement
Housing and Homelessness	Affordable housing; peer navigation; continuum of care
Transportation and Infrastructure	Roads, modernization/technology; asset management
Organizational Excellence	Focus on customer service; getting to yes; partnerships

42

Discussion

- Are these the right areas of interest
- Is anything missing?

01 Financial Sustainability

02 Public Safety

03 Thriving Community

04 Housing and Homelessness

05 Transportation and Infrastructure

06 Organizational Excellence

43

Day Two *Preview*

Recap and Reflections

Strategic Planning: Part 2:
Setting Goals and Defining Success

Connecting the Pieces

Next Steps



44



In *one word*,
how are you feeling?

45



Thank you!

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