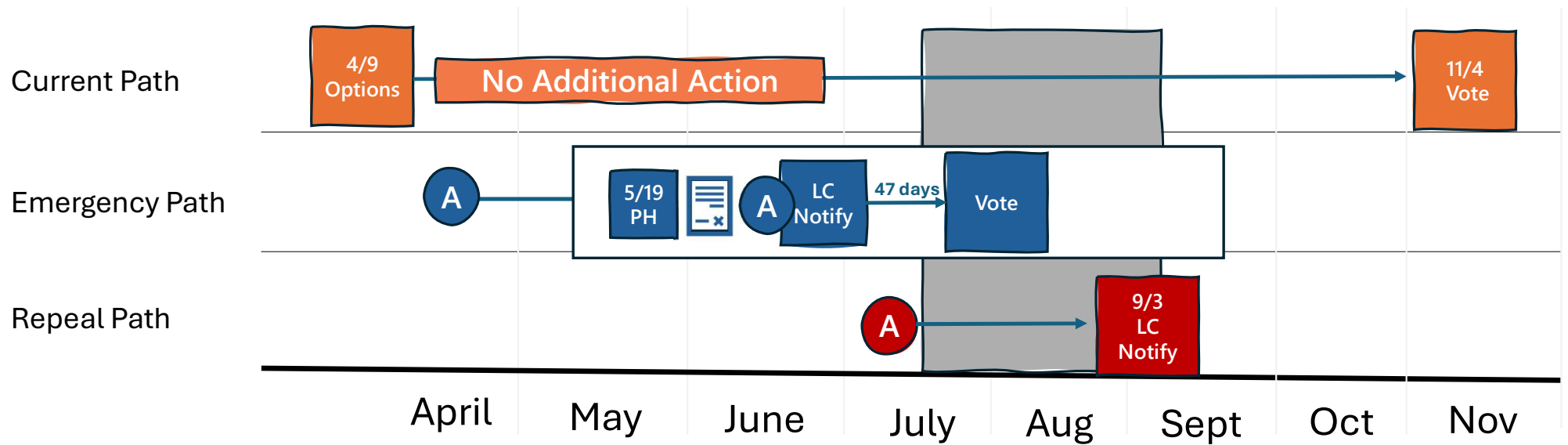


Referendum Petition 2025-01: Options (Continued from 4/21)

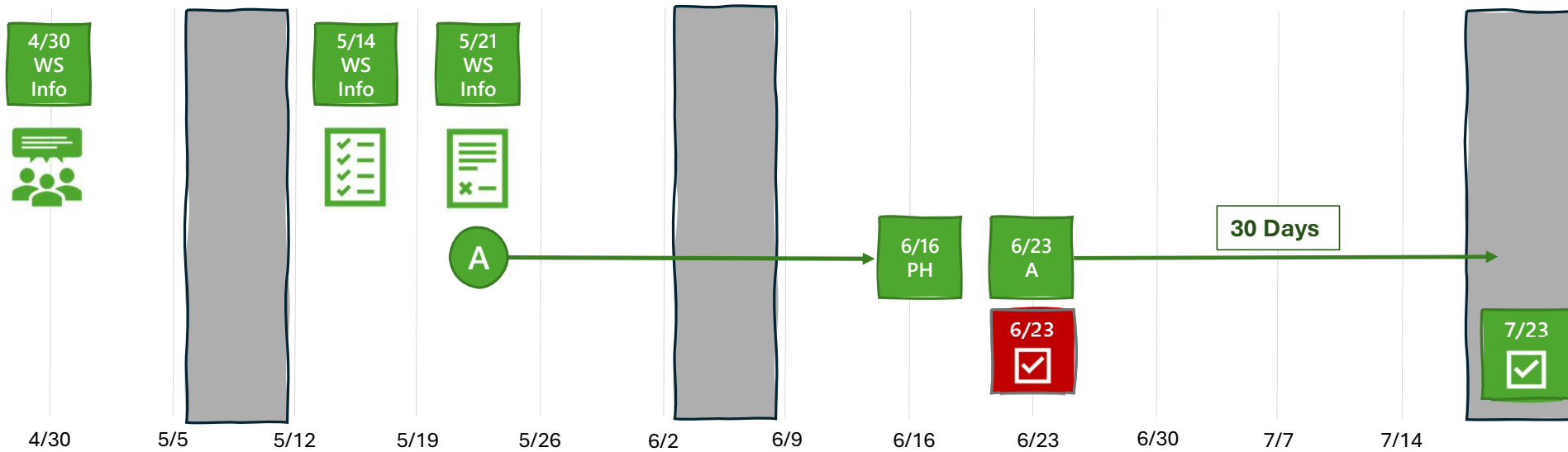


City Council WS | April 28, 2025

Timeline Current Proposal Key Dates



Timeline Alternative Proposal Key Dates



Alternative Proposal Components

Shift to a **Temporary** Fee

☐ What is the recommended timeframe?

Shift **Amount** of Fee

☐ What is the recommended revenue target?

Shift Collection **Methodology** (efficient)

☐ What is the recommended method?

Shift **Focus** of Fee and Rename

☐ What is the recommended name?

Build **Accountability** and Trust

☐ How does this connect to long range work?

Alternative Proposal Timeframe

General Fund (Main Subfund) Six-Year Financial Forecast, 2023-2025 Biennium through 2027-2029 Biennium
2023-2025 Adopted Biennial Budget
June 26, 2023



City of Eugene

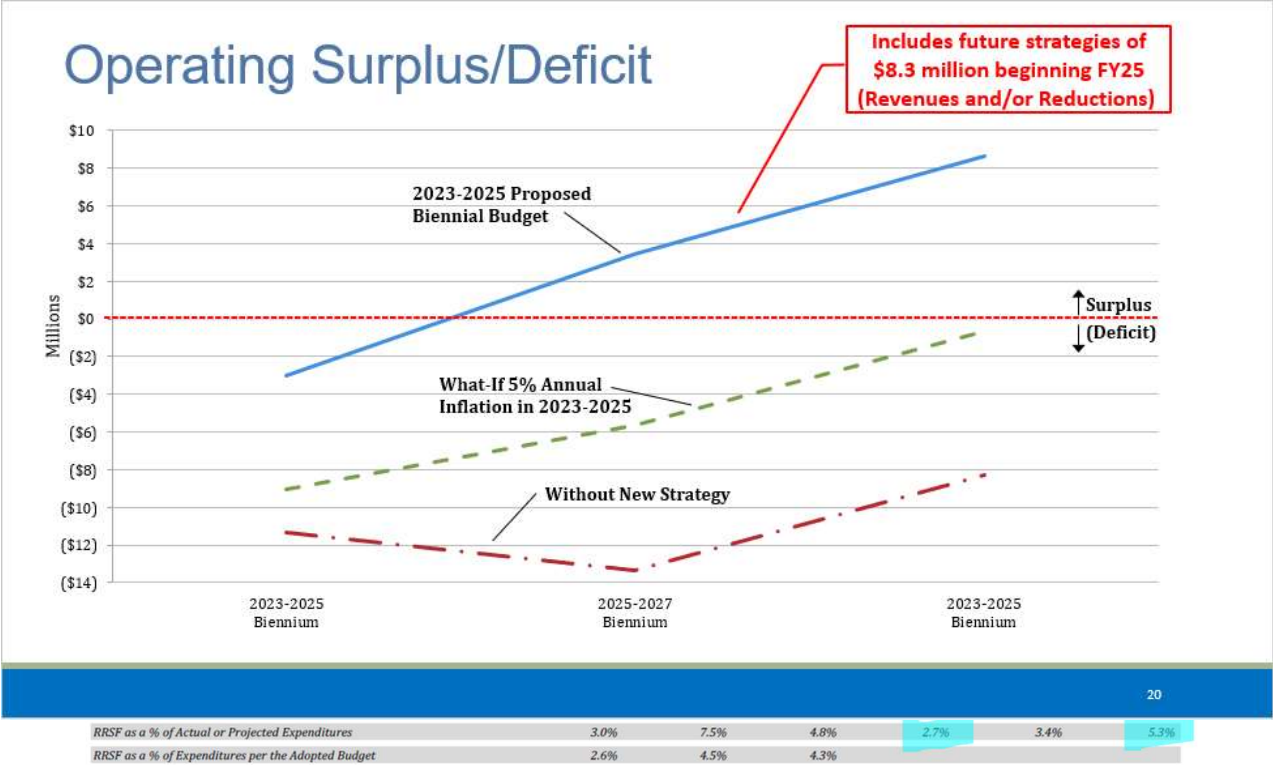
2023-2025

Adopted Biennial Budget



Sarah Medary, City Manager





Alternative Proposal Timeframe



6 Year

General Fund (Main Subfund) Six-Year Financial Forecast, 2025-2027 Biennium through 2029-2031 Biennium 2025-2027 Proposed Biennial Budget April 30, 2025						
Executive Summary: Resources and Requirements						
	Actual FY22	Actual FY23	Projected 2023-2025 Biennium	Proposed 2025-2027 Biennium	Forecast 2027-2029 Biennium	Forecast 2029-2031 Biennium
Resources						
Beginning Working Capital	\$70,708,559	\$80,212,321	\$65,119,049	\$46,806,241	\$44,166,172	\$48,615,172
Current Revenues	191,585,807	182,831,553	384,867,618	402,817,588	423,252,000	449,616,000
Total Resources	<u>262,294,366</u>	<u>263,043,874</u>	<u>449,986,667</u>	<u>449,623,829</u>	<u>467,418,172</u>	<u>498,231,172</u>
Requirements						
Department Expenditures						
Personnel	126,353,374	134,087,730	279,358,926	294,742,071	319,566,000	337,320,000
Materials and Services	42,834,867	48,076,399	106,645,500	83,189,586	82,309,000	86,756,000
Department Subtotal	<u>169,188,240</u>	<u>182,164,129</u>	<u>386,004,426</u>	<u>377,931,657</u>	<u>401,875,000</u>	<u>424,076,000</u>
Non-Departmental Expenditures	<u>12,893,805</u>	<u>15,760,696</u>	<u>17,176,000</u>	<u>27,526,000</u>	<u>16,928,000</u>	<u>17,533,000</u>
Total Expenditures	<u>182,082,045</u>	<u>197,924,825</u>	<u>403,180,426</u>	<u>405,457,657</u>	<u>418,803,000</u>	<u>441,609,000</u>
Change in Unappropriated Ending Fund Balance (UEFB) (1)	(320,000)	1,150,000	1,760,000	2,440,000	1,110,000	1,900,000
Total Expenditures plus Change in UEFB	<u>181,762,045</u>	<u>199,074,825</u>	<u>404,940,426</u>	<u>407,897,657</u>	<u>419,913,000</u>	<u>443,509,000</u>
Operating Surplus/(Deficit) (2)	9,823,762	(16,243,272)	(20,072,808)	(5,080,069)	3,339,000	6,107,000
Unappropriated Ending Fund Balance						
UEFB at June 30 (3)	28,440,000	29,590,000	31,350,000	33,790,000	34,900,000	36,800,000
Reserves						
Reserve for Revenue Shortfall (RRSF) (4)	13,714,241	8,102,374	15,379,296	10,261,697	12,471,697	17,276,197
American Rescue Plan Act (ARPA) Reserve (5)	3,100,339	2,479,357	-	-	-	-
Other Reserves (6)	64,000	397,422	1,033,475	114,475	1,243,475	2,545,975
Total Reserves	<u>16,878,580</u>	<u>10,979,153</u>	<u>16,412,771</u>	<u>10,376,172</u>	<u>13,715,172</u>	<u>19,822,172</u>
Mid-Period Adjustments or Experience Estimates (7)	19,656,250	3,968,209	(956,530)			
Reserve for Encumbrance for Next Budget Period (8)	10,083,251	4,473,963				
Marginal Beginning Working Capital for Next Budget Period (9)	5,154,240	16,107,724				
Total Ending Fund Balance	<u>80,212,321</u>	<u>65,119,049</u>	<u>46,806,241</u>	<u>44,166,172</u>	<u>48,615,172</u>	<u>56,622,172</u>
Total Requirements	<u>262,294,366</u>	<u>263,043,874</u>	<u>449,986,667</u>	<u>449,623,829</u>	<u>467,418,172</u>	<u>498,231,172</u>
Notes:						
(1) Change necessary to keep Unappropriated Ending Fund Balance (UEFB) at City Council-adopted policy level of two months of operating expenditures, excluding reserves and contingency.						
(2) Operating Surplus/(Deficit) equals Current Revenues less Total Expenditures plus Change in UEFB. Actual and projected periods include supplemental budget expenditures from carryover resources.						
(3) Per City Council policy, UEFB is budgeted in the amount of two months of operating expenses (total department and non-departmental expenditures).						
(4) RRSF as budgeted for actual, projected, and budgeted periods. Forecast assumes any surpluses are set aside in RRSF and used to fully or partially fund any future operating deficits.						
(5) The City's ARPA allocation of \$35,908,037 was used for revenue replacement. Offsetting funds made available by ARPA were held in reserve until budgeted.						
(6) Other Reserves include Council Contingency and opioid settlement funds. The Council Contingency Reserve was liquidated in 2023-2025 and the funding for contingency expenses was placed in the City Manager's Office budget for future allocation.						
(7) Mid-period adjustments include supplemental budget actions, experience estimates for revenues/expenditures, and adjustments to Beginning Working Capital (BWC) for the next budget period.						
(8) Reserve for Encumbrance represents a reserve for uncompleted contracts carried forward.						
(9) Marginal Beginning Working Capital (MBWC) represents the audited difference between estimated Beginning Working Capital (BWC) and actual BWC.						
RRSF as a % of Actual or Projected Expenditures	7.5%	4.1%	3.8%	2.5%	3.0%	3.9%
RRSF as a % of Expenditures per the Adopted Budget	4.5%	4.3%	2.7%			

Alternative Proposal Timeframe



6 Year

Service Fee sunsets after 6 years (in effect FY26-FY31)

General Fund (Main Subfund) Six-Year Financial Forecast, 2025-2027 Biennium through 2029-2031 Biennium
2025-2027 Proposed Biennial Budget
April 30, 2025

Executive Summary: Resources and Requirements

		Actual FY22	Actual FY23	Projected 2023-2025 Biennium	Proposed 2025-2027 Biennium	Forecast 2027-2029 Biennium	Forecast 2029-2031 Biennium	Forecast 2031-2033 Biennium
Resources								
Beginning Working Capital		\$70,708,559	\$80,212,321	\$65,119,049	\$46,806,241	\$44,166,172	\$48,615,172	\$56,622,172
Current Revenues		191,585,807	182,831,553	384,867,618	402,817,588	423,252,000	449,616,000	471,809,000
Total Resources		262,294,366	263,043,874	449,986,667	449,623,829	467,418,172	498,231,172	528,431,172
Requirements								
Department Expenditures								
Personnel		126,353,374	134,087,730	279,358,926	294,742,071	319,566,000	337,320,000	372,814,000
Materials and Services		42,834,867	48,076,399	106,645,500	83,189,586	82,309,000	86,756,000	93,881,000
Department Subtotal		169,188,240	182,164,129	386,004,426	377,931,657	401,875,000	424,076,000	466,695,000
Ongoing Reduction Strategy					-	-	-	(18,005,000)
Non-Departmental Expenditures		12,893,805	15,760,696	17,176,000	27,526,000	16,928,000	17,533,000	18,491,000
Total Expenditures		182,082,045	197,924,825	403,180,426	405,457,657	418,803,000	441,609,000	467,181,000
Change in Unappropriated Ending Fund Balance (UEFB)	(1)	(320,000)	1,150,000	1,760,000	2,440,000	1,110,000	1,900,000	2,130,000
Total Expenditures plus Change in UEFB		181,762,045	199,074,825	404,940,426	407,897,657	419,913,000	443,509,000	469,311,000
Operating Surplus/(Deficit)	(2)	9,823,762	(16,243,272)	(20,072,808)	(5,080,069)	3,339,000	6,107,000	2,498,000
Unappropriated Ending Fund Balance								
UEFB at June 30	(3)	28,440,000	29,590,000	31,350,000	33,790,000	34,900,000	36,800,000	38,930,000
Reserves								
Reserve for Revenue Shortfall (RRSF)	(4)	13,714,241	8,102,374	15,379,296	10,261,697	12,471,697	17,276,197	18,674,197
American Rescue Plan Act (ARPA) Reserve	(5)	3,100,339	2,479,357	-	-	-	-	-
Other Reserves	(6)	64,000	397,422	1,033,475	114,475	1,243,475	2,545,975	3,645,975
Total Reserves		16,878,580	10,979,153	16,412,771	10,376,172	13,715,172	19,822,172	22,320,172
Mid-Period Adjustments or Experience Estimates	(7)	19,656,250	3,968,209	(956,530)				
Reserve for Encumbrance for Next Budget Period	(8)	10,083,251	4,473,963					
Marginal Beginning Working Capital for Next Budget Period	(9)	5,154,240	16,107,724					
Total Ending Fund Balance		80,212,321	65,119,049	46,806,241	44,166,172	48,615,172	56,622,172	61,250,172
Total Requirements		262,294,366	263,043,874	449,986,667	449,623,829	467,418,172	498,231,172	528,431,172

Notes:

- (1) Change necessary to keep Unappropriated Ending Fund Balance (UEFB) at City Council-adopted policy level of two months of operating expenditures, excluding reserves and contingency.
- (2) Operating Surplus/(Deficit) equals Current Revenues less Total Expenditures plus Change in UEFB. Actual and projected periods include supplemental budget expenditures from carryover resources.
- (3) Per City Council policy, UEFB is budgeted in the amount of two months of operating expenses (total department and non-departmental expenditures).
- (4) RRSF as budgeted for actual, projected, and budgeted periods. Forecast assumes any surpluses are set aside in RRSF and used to fully or partially fund any future operating deficits.
- (5) The City's total ARPA allocation was \$35,908,037. Funds made available from ARPA that have not been budgeted yet are held in the ARPA Reserve.
- (6) Other Reserves include Council Contingency and opioid settlement funds. The Council Contingency Reserve was liquidated in 2023-2025 and the funding for contingency expenses was placed in the City Manager's Office budget for future allocation. For the adopted budget period, Other Reserves also include the Reserve for Encumbrance.
- (7) Mid-period adjustments include supplemental budget actions, experience estimates for revenues/expenditures, and adjustments to Beginning Working Capital (BWC) for the next budget period.
- (8) Reserve for Encumbrance represents a reserve for uncompleted contracts carried forward. For the adopted budget period, it's anticipated this reserve will subsequently be appropriated by City Council.
- (9) Marginal Beginning Working Capital (MBWC) represents the audited difference between estimated Beginning Working Capital (BWC) and actual BWC.

RRSF as a % of Actual or Projected Expenditures	7.5%	4.1%	3.8%	2.5%	3.0%	3.9%	4.0%
RRSF as a % of Expenditures per the Adopted Budget	4.5%	4.3%	2.7%				

Alternative Proposal Timeframe



4 Year

Service Fee sunsets after 4 years (in effect FY26-FY29)

General Fund (Main Subfund) Six-Year Financial Forecast, 2025-2027 Biennium through 2029-2031 Biennium 2025-2027 Proposed Biennial Budget April 30, 2025

Executive Summary: Resources and Requirements

		Actual FY22	Actual FY23	Projected 2023-2025 Biennium	Proposed 2025-2027 Biennium	Forecast 2027-2029 Biennium	Forecast 2029-2031 Biennium
Resources							
Beginning Working Capital		\$70,708,559	\$80,212,321	\$65,119,049	\$46,806,241	\$44,166,172	\$48,615,172
Current Revenues		191,585,807	182,831,553	384,867,618	402,817,588	423,252,000	447,592,000
Total Resources		262,294,366	263,043,874	449,986,667	449,623,829	467,418,172	496,207,172
Requirements							
Department Expenditures							
Personnel		126,353,374	134,087,730	279,358,926	294,742,071	319,566,000	351,072,000
Materials and Services		42,834,867	48,076,399	106,645,500	83,189,586	82,309,000	88,599,000
Department Subtotal		169,188,240	182,164,129	386,004,426	377,931,657	401,875,000	439,671,000
Ongoing Reduction Strategy							
Non-Departmental Expenditures		12,893,805	15,760,696	17,176,000	27,526,000	16,928,000	17,533,000
Total Expenditures		182,082,045	197,924,825	403,180,426	405,457,657	418,803,000	457,204,000
Change in Unappropriated Ending Fund Balance (UEFB)	(1)	(320,000)	1,150,000	1,760,000	2,440,000	1,110,000	3,200,000
Total Expenditures plus Change in UEFB		181,762,045	199,074,825	404,940,426	407,897,657	419,913,000	460,404,000
Operating Surplus/(Deficit)	(2)	9,823,762	(16,243,272)	(20,072,808)	(5,080,069)	3,339,000	(12,812,000)
Unappropriated Ending Fund Balance							
UEFB at June 30	(3)	28,440,000	29,590,000	31,350,000	33,790,000	34,900,000	38,100,000
Reserves							
Reserve for Revenue Shortfall (RRSF)	(4)	13,714,241	8,102,374	15,379,296	10,261,697	12,471,697	(1,642,803)
American Rescue Plan Act (ARPA) Reserve	(5)	3,100,339	2,479,357	-	-	-	-
Other Reserves	(6)	64,000	397,422	1,033,475	114,475	1,243,475	2,545,975
Total Reserves		16,879,580	10,979,153	16,412,771	10,376,172	13,715,172	903,172
Mid-Period Adjustments or Experience Estimates	(7)	19,656,250	3,968,209	(956,530)			
Reserve for Encumbrance for Next Budget Period	(8)	10,083,251	4,473,963				
Marginal Beginning Working Capital for Next Budget Period	(9)	5,154,240	16,107,724				
Total Ending Fund Balance		80,212,321	65,119,049	46,806,241	44,166,172	48,615,172	39,003,172
Total Requirements		262,294,366	263,043,874	449,986,667	449,623,829	467,418,172	496,207,172
Notes:							
(1) Change necessary to keep Unappropriated Ending Fund Balance (UEFB) at City Council-adopted policy level of two months of operating expenditures, excluding reserves and contingency.							
(2) Operating Surplus/(Deficit) equals Current Revenues less Total Expenditures plus Change in UEFB. Actual and projected periods include supplemental budget expenditures from carryover resources.							
(3) Per City Council policy, UEFB is budgeted in the amount of two months of operating expenses (total department and non-departmental expenditures).							
(4) RRSF as budgeted for actual, projected, and budgeted periods. Forecast assumes any surpluses are set aside in RRSF and used to fully or partially fund any future operating deficits.							
(5) The City's total ARPA allocation was \$35,908,037. Funds made available from ARPA that have not been budgeted yet are held in the ARPA Reserve.							
(6) Other Reserves include Council Contingency and opioid settlement funds. The Council Contingency Reserve was liquidated in 2023-2025 and the funding for contingency expenses was placed in the City Manager's Office budget for future allocation. For the adopted budget period, Other Reserves also include the Reserve for Encumbrance.							
(7) Mid-period adjustments include supplemental budget actions, experience estimates for revenues/expenditures, and adjustments to Beginning Working Capital (BWC) for the next budget period.							
(8) Reserve for Encumbrance represents a reserve for uncompleted contracts carried forward. For the adopted budget period, it's anticipated this reserve will subsequently be appropriated by City Council.							
(9) Marginal Beginning Working Capital (MBWC) represents the audited difference between estimated Beginning Working Capital (BWC) and actual BWC.							
RRSF as a % of Actual or Projected Expenditures		7.5%	4.1%	3.6%	2.5%	3.0%	-0.4%
RRSF as a % of Expenditures per the Adopted Budget		4.5%	4.3%	2.7%			

Alternative Proposal Timeframe



4 Year

Service Fee sunsets after 4 years (in effect FY26-FY29)

General Fund (Main Subfund) Six-Year Financial Forecast, 2025-2027 Biennium through 2029-2031 Biennium 2025-2027 Proposed Biennial Budget April 30, 2025

Executive Summary: Resources and Requirements

		Actual FY22	Actual FY23	Projected 2023-2025 Biennium	Proposed 2025-2027 Biennium	Forecast 2027-2029 Biennium	Forecast 2029-2031 Biennium
Resources							
Beginning Working Capital		\$70,708,559	\$80,212,321	\$65,119,049	\$46,806,241	\$44,166,172	\$48,615,172
Current Revenues		191,585,807	182,831,553	384,867,618	402,817,588	423,252,000	448,020,000
Total Resources		262,294,366	263,043,874	449,986,667	449,623,829	467,418,172	496,635,172
Requirements							
Department Expenditures							
Personnel		126,353,374	134,087,730	279,358,926	294,742,071	319,566,000	351,072,000
Materials and Services		42,834,867	48,076,399	106,645,500	83,189,586	82,309,000	88,599,000
Department Subtotal		169,188,240	182,164,129	386,004,426	377,931,657	401,875,000	439,671,000
Ongoing Reduction Strategy					-	-	(17,196,000)
Non-Departmental Expenditures		12,893,805	15,760,696	17,176,000	27,526,000	16,928,000	17,533,000
Total Expenditures		182,082,045	197,924,825	403,180,426	405,457,657	418,803,000	440,008,000
Change in Unappropriated Ending Fund Balance (UEFB)	(1)	(320,000)	1,150,000	1,760,000	2,440,000	1,110,000	1,770,000
Total Expenditures plus Change in UEFB		181,762,045	199,074,825	404,940,426	407,897,657	419,913,000	441,778,000
Operating Surplus/(Deficit)	(2)	9,823,762	(16,243,272)	(20,072,808)	(5,080,069)	3,339,000	6,242,000
Unappropriated Ending Fund Balance							
UEFB at June 30	(3)	28,440,000	29,590,000	31,350,000	33,790,000	34,900,000	36,670,000
Reserves							
Reserve for Revenue Shortfall (RRSF)	(4)	13,714,241	8,102,374	15,379,296	10,261,697	12,471,697	17,411,197
American Rescue Plan Act (ARPA) Reserve	(5)	3,100,339	2,479,357	-	-	-	-
Other Reserves	(6)	64,000	397,422	1,033,475	114,475	1,243,475	2,545,975
Total Reserves		16,879,580	10,979,153	16,412,771	10,376,172	13,715,172	19,957,172
Mid-Period Adjustments or Experience Estimates	(7)	19,656,250	3,968,209	(956,530)			
Reserve for Encumbrance for Next Budget Period	(8)	10,083,251	4,473,963				
Marginal Beginning Working Capital for Next Budget Period	(9)	5,154,240	16,107,724				
Total Ending Fund Balance		80,212,321	65,119,049	46,806,241	44,166,172	48,615,172	56,627,172
Total Requirements		262,294,366	263,043,874	449,986,667	449,623,829	467,418,172	496,635,172

Notes:

- (1) Change necessary to keep Unappropriated Ending Fund Balance (UEFB) at City Council-adopted policy level of two months of operating expenditures, excluding reserves and contingency.
- (2) Operating Surplus/(Deficit) equals Current Revenues less Total Expenditures plus Change in UEFB. Actual and projected periods include supplemental budget expenditures from carryover resources.
- (3) Per City Council policy, UEFB is budgeted in the amount of two months of operating expenses (total department and non-departmental expenditures).
- (4) RRSF as budgeted for actual, projected, and budgeted periods. Forecast assumes any surpluses are set aside in RRSF and used to fully or partially fund any future operating deficits.
- (5) The City's total ARPA allocation was \$35,908,037. Funds made available from ARPA that have not been budgeted yet are held in the ARPA Reserve.
- (6) Other Reserves include Council Contingency and opioid settlement funds. The Council Contingency Reserve was liquidated in 2023-2025 and the funding for contingency expenses was placed in the City Manager's Office budget for future allocation. For the adopted budget period, Other Reserves also include the Reserve for Encumbrance.
- (7) Mid-period adjustments include supplemental budget actions, experience estimates for revenues/expenditures, and adjustments to Beginning Working Capital (BWC) for the next budget period.
- (8) Reserve for Encumbrance represents a reserve for uncompleted contracts carried forward. For the adopted budget period, it's anticipated this reserve will subsequently be appropriated by City Council.
- (9) Marginal Beginning Working Capital (MBWC) represents the audited difference between estimated Beginning Working Capital (BWC) and actual BWC.

RRSF as a % of Actual or Projected Expenditures	7.5%	4.1%	3.8%	2.5%	3.0%	4.0%
RRSF as a % of Expenditures per the Adopted Budget	4.5%	4.3%	2.7%			

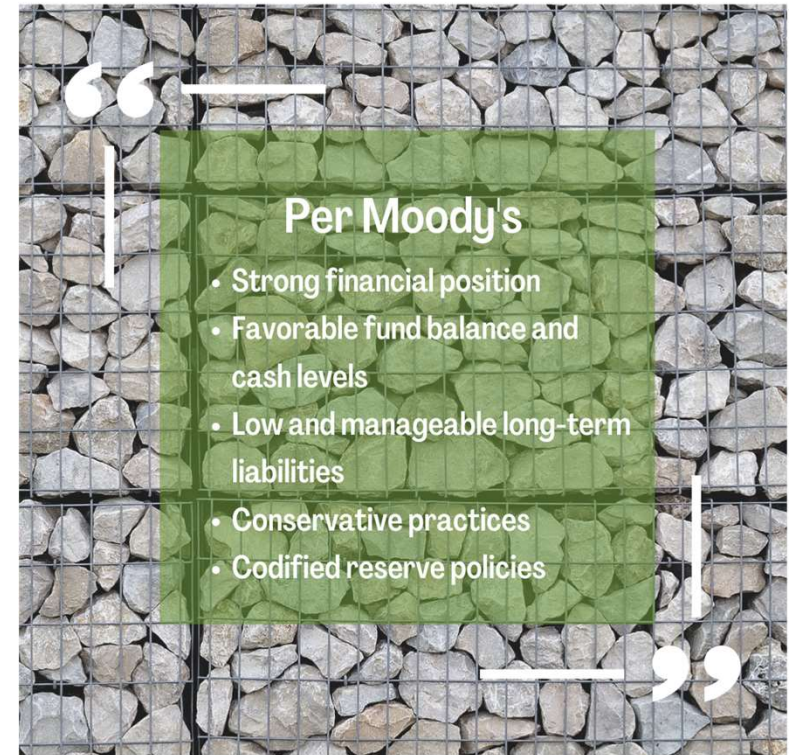
Alternative Proposal Credit Rating

Investment Grade

Score	Oregon Cities
Aaa	Portland, Lake Oswego
Aa1	Eugene, Beaverton, Hillsboro
Aa2	Salem, Bend, Gresham, Corvallis, Redmond
Aa3	Springfield, Roseburg, Ashland, Sisters



- Risk
- Borrowing Costs
- Investor Confidence
- Community Confidence
- Service Impacts



Alternative Proposal Revenue Target

ALTERNATE
Proposal:

\$? 1X

Short Term ± Ongoing Services

\$8M ?

Restore Proposed Budget?

Alternative Proposal Methodology

- Rate x Variable (sq ft)
- Set Amount per Variable

Most Efficient:

- Utilize Existing Data
- Utilize Existing Billing Information and System

Alternative Proposal Focus & Name

Short Term | Amended Budget Reductions | Calculate Differently

An Ordinance establishing a temporary City services stabilization fee:

City Stabilization Fee

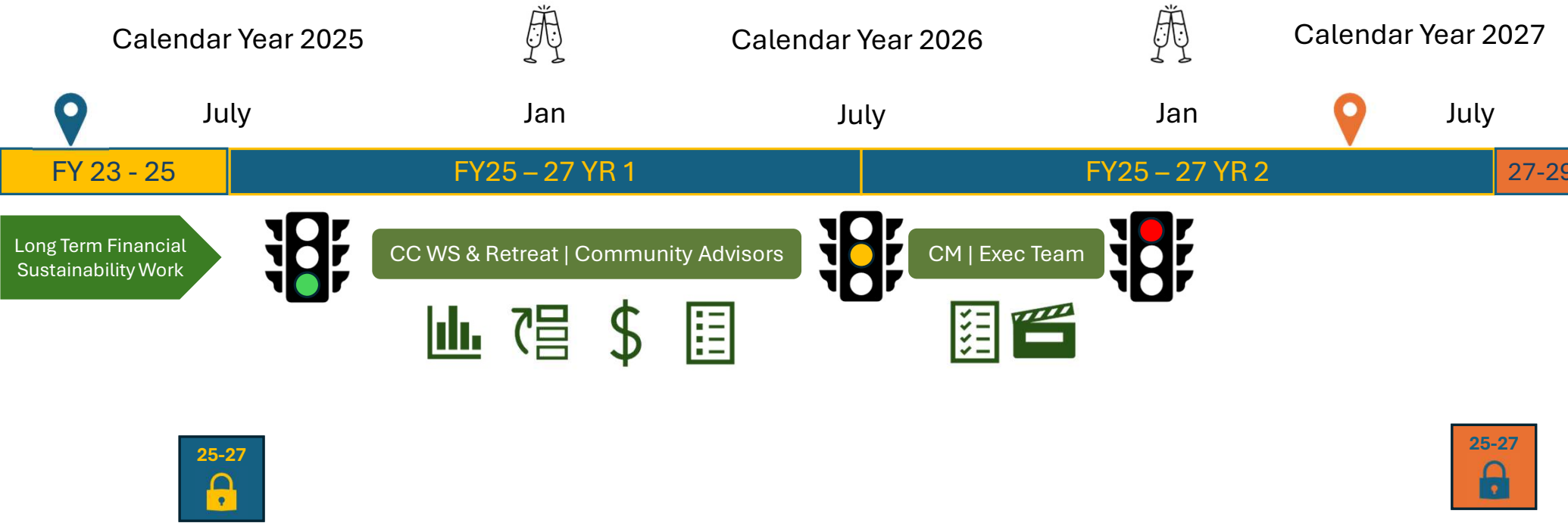
An Ordinance establishing a temporary City operations fee:

City Operations Fee

An Ordinance establishing a temporary Community Services fee:

Community Services Fee

Alternative Proposal Accountability



Questions & Discussion

- Additional Information Needed?
- Which Path(s) For May 14?
- Other?

