

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session: Financial Strategy

Meeting Date: November 26, 2012
Department: Central Services
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Agenda Item Number: B
Staff Contact: Sue Cutsogeorge
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ISSUE STATEMENT

This work session is an opportunity for the council to receive an update on the City's General Fund Six-Year Financial Forecast

BACKGROUND

At the November 14 City Council work session, the City Manager presented information as background for the start of a financial strategy discussion, including discussion of a potential new revenue source. He related the City's efforts over the past several years to close a persistent structural gap in the budget. Despite a number of years of hard work and decisions to live within its means, the lingering impacts of the recession have widened the mismatch between the City's revenues and expenses.

During the FY13 budget process, the City Manager developed a two-year plan to achieve a stable budget. The FY13 Adopted Budget made progress towards that stable budget plan with \$4 million of ongoing reductions implemented, but it was clear that there was more to be done in FY14.

Presentation of the updated General Fund Six-Year Financial Forecast will provide the council with additional information about the magnitude of the structural gap. This will help to set the stage for a discussion about the potential consideration of a new revenue source to help close a part of that gap and move towards a stable budget. An additional council work session is scheduled for December 10 to continue the conversation about a six-year financial strategy that might include a new revenue source.

RELATED CITY POLICIES

Council Goal of Fair, Stable and Adequate Funding.

COUNCIL OPTIONS

None. Information only.

CITY MANAGER'S RECOMMENDATION

None. Information only.

SUGGESTED MOTION

None. Information only.

ATTACHMENTS

None.

FOR MORE INFORMATION

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