

Public Works Road Fund Overview

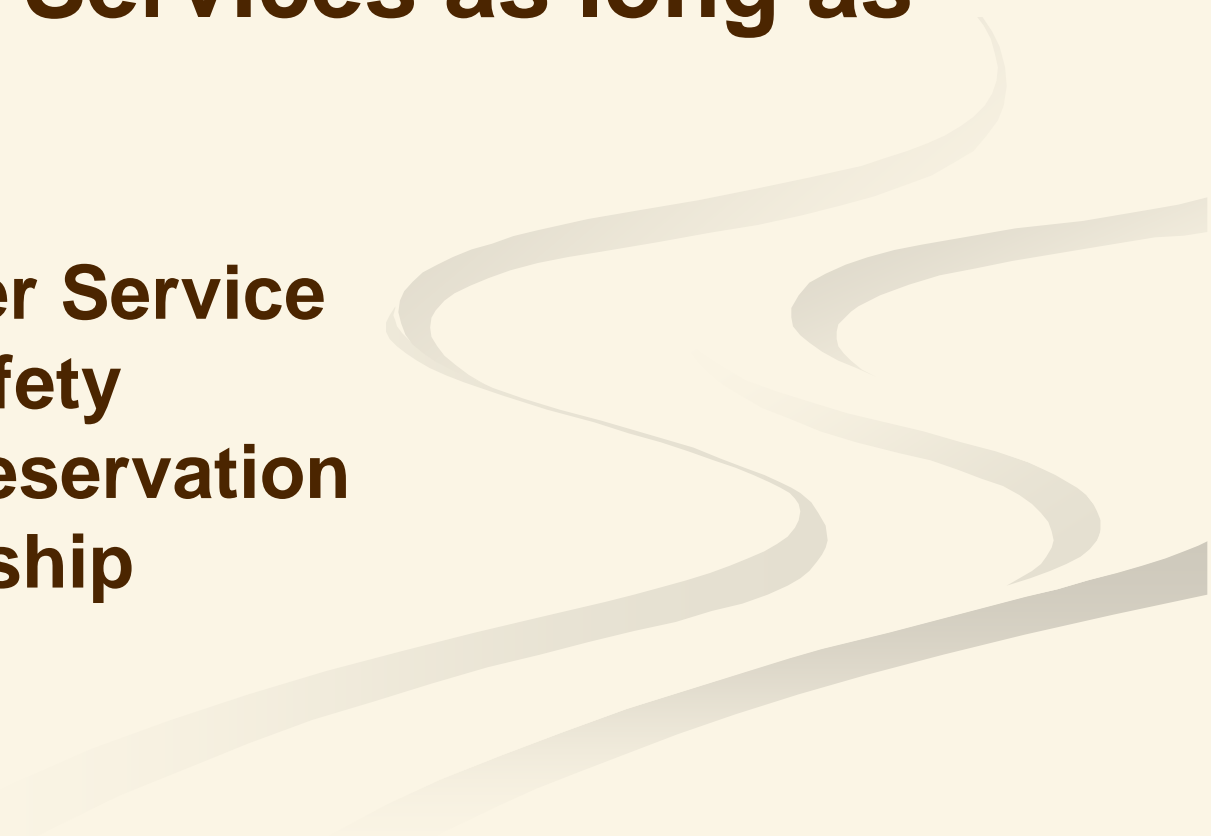
The background of the slide is a light beige color. In the bottom right corner, there are several thick, wavy, light gray lines that sweep across the page, creating a sense of movement and depth.

**April 29, 2014
Tanya Heaton,
PW Budget Manager**

Current Situation

- **No change from last year**
 - **Shrinking revenue**
 - **Cost increases**
 - **Increasing service requests**
 - **Expenses exceed revenue**

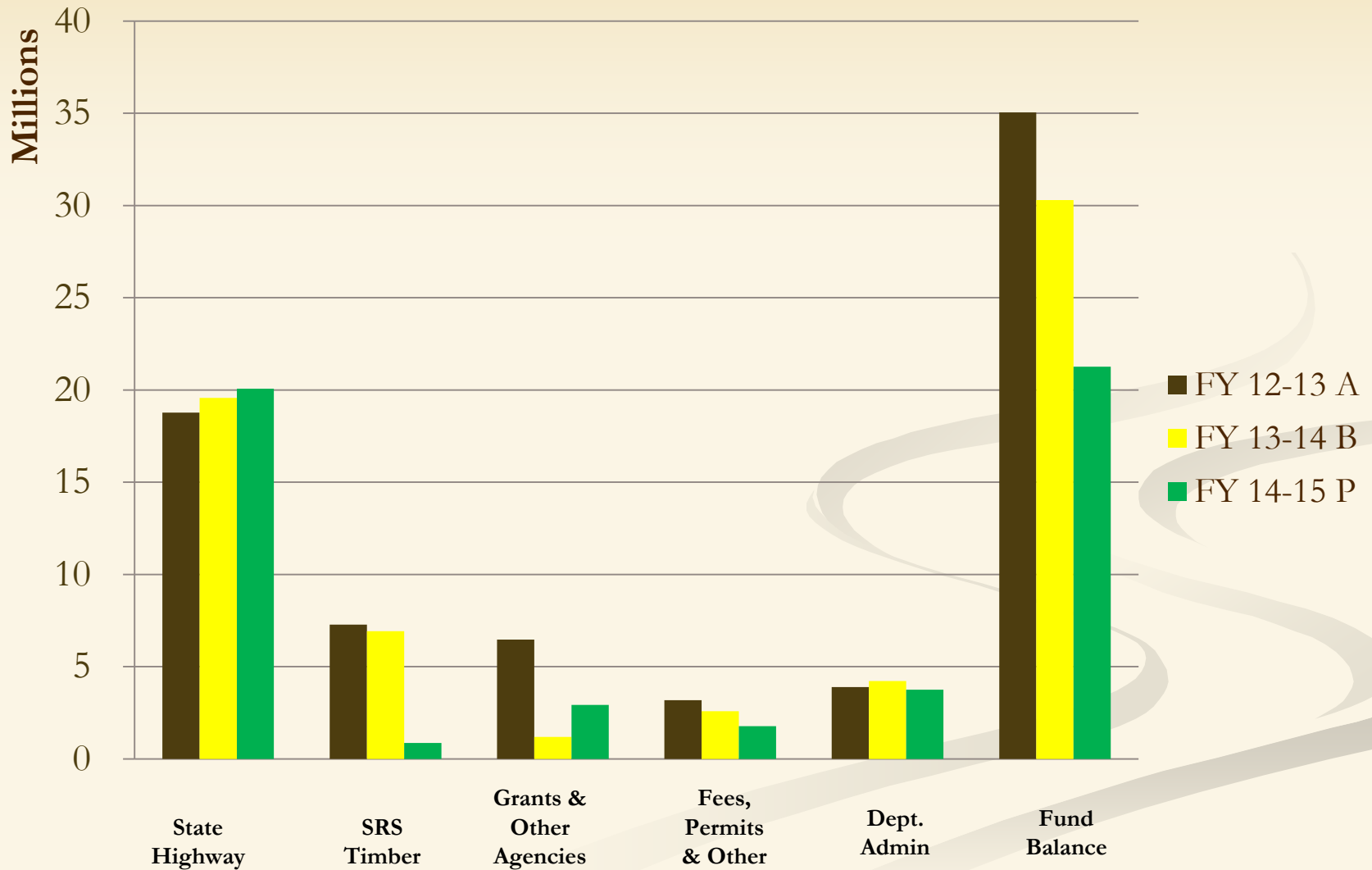
Road Fund Focus

- **Maintain Services as long as possible**
 - **Customer Service**
 - **Road Safety**
 - **Road Preservation**
 - **Stewardship**
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- A decorative graphic consisting of several thick, light-colored wavy lines that flow from the right side of the slide towards the left, partially overlapping the text area.

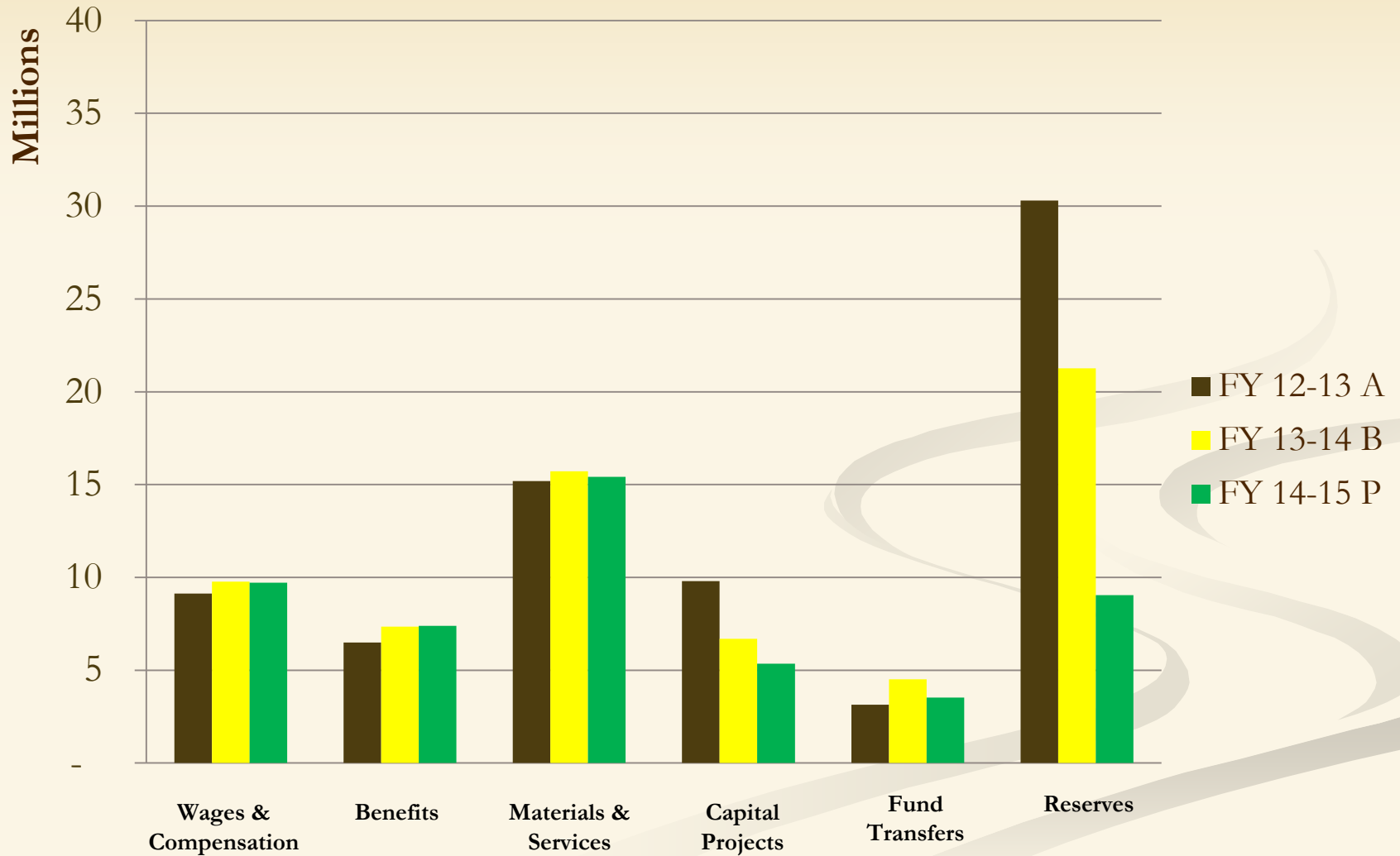
Road Fund – Key Points

- **One major revenue stream influenced by economy**
- **Federal Revenue reduced significantly and shared with Sheriff's Office. Now one time resource approved year by year**
- **FY 13-14 Beginning Fund Balance ~ \$30m**
- **FY 14-15 Beginning Fund Balance ~ \$21m**
- **FY 15-16 Projected Beg. Fund Balance ~ \$9m**

Road Fund Revenue Changes



Road Fund Expense Changes



Sweet Creek Road

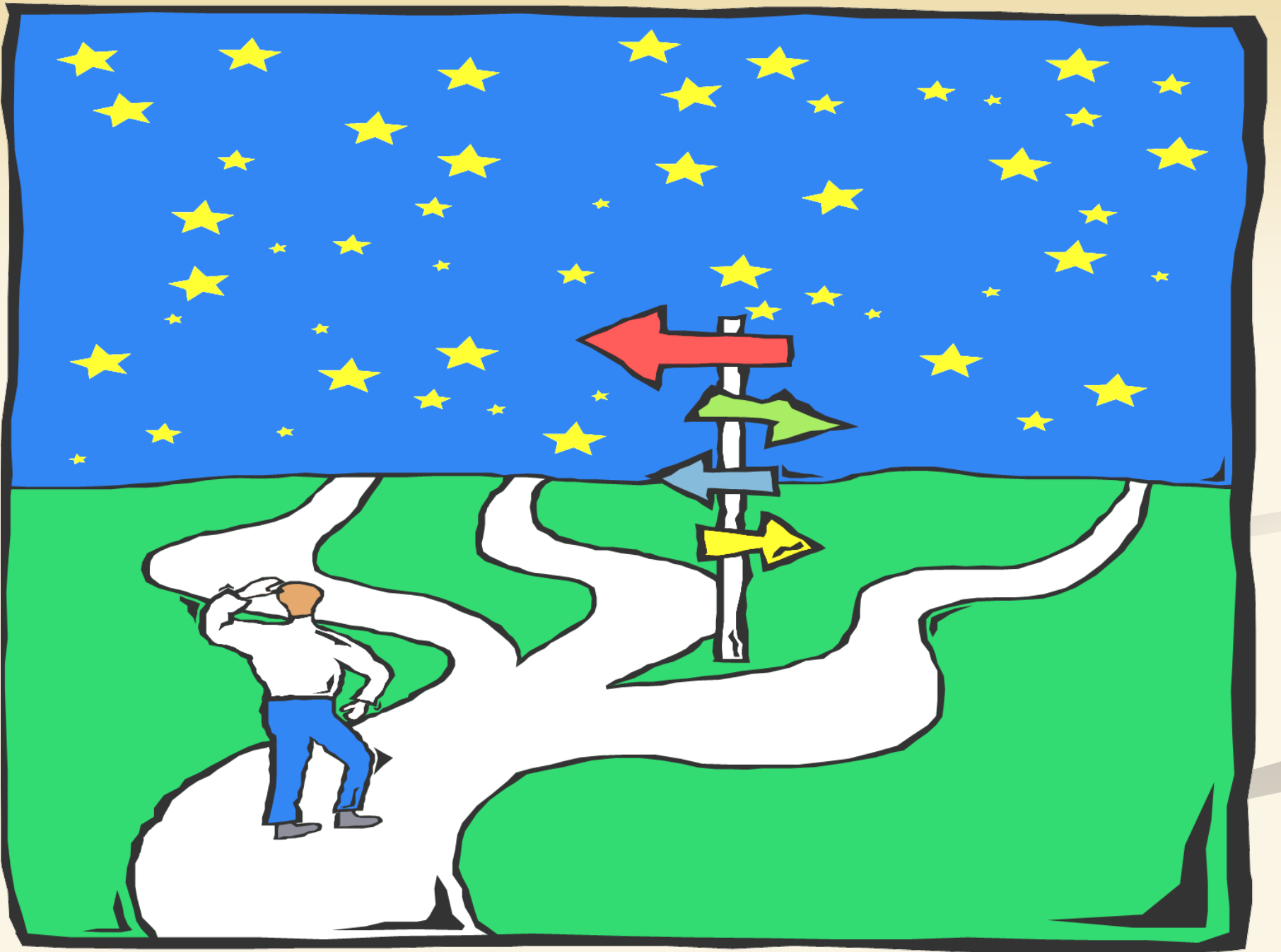


Damage to the road due to retaining wall failure. 10 years of progressive deterioration. Major funding through Grants. Project completed 2013.

What are we doing?

- **Planning for the future**
- **Reaching for balance of excellent and sustainable services**
- **National APWA message for 2014:**

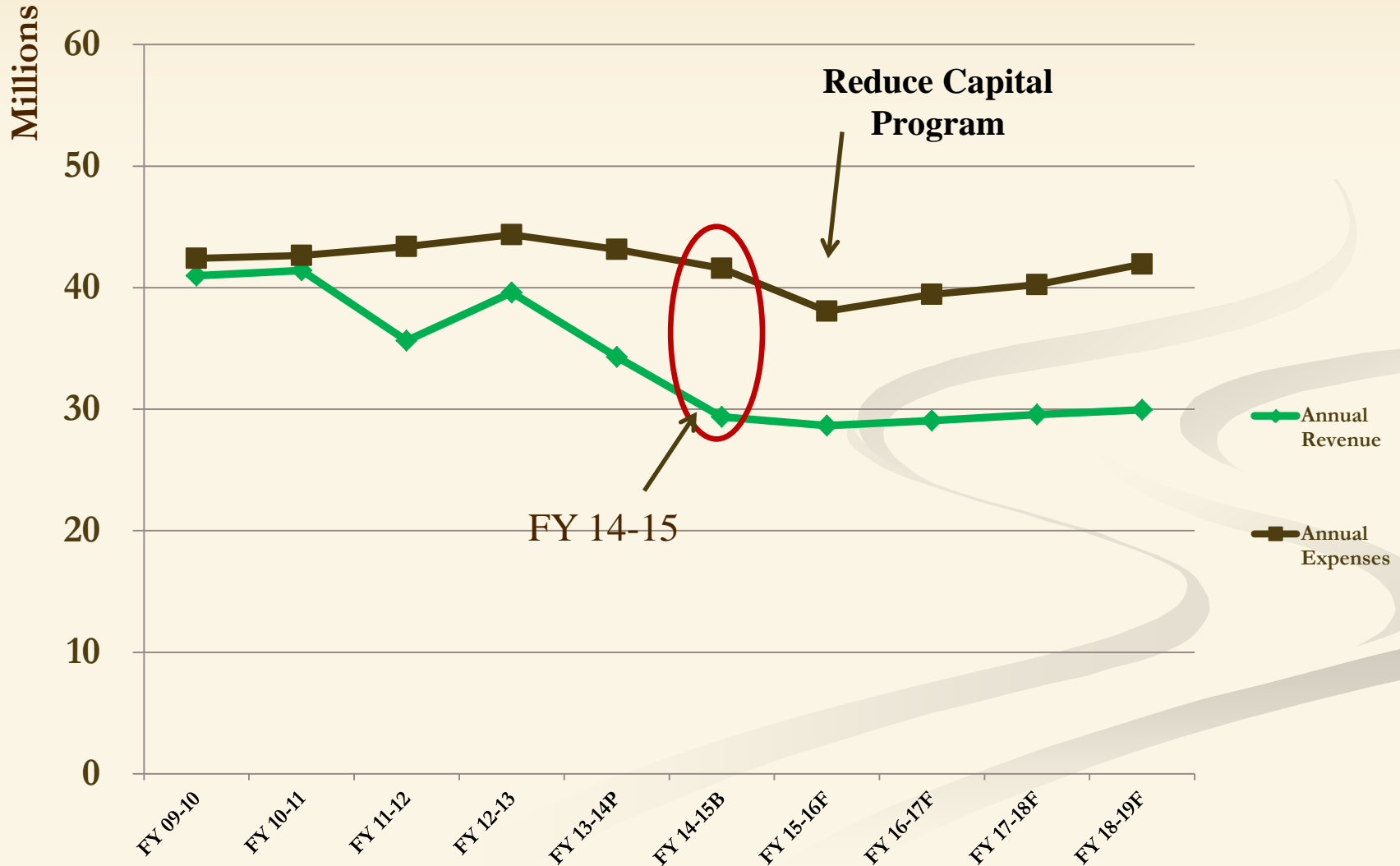
Building for Today, Planning for Tomorrow



Build a Plan

- **Large Operating Gap - \$10m/25%**
 - **Seeking revenue opportunities**
 - **Requesting federal extensions**
 - **Building project partnerships**
 - **Reducing expenses**
 - **Spending reserves**

Operating Gap



Plan

- **Multifaceted changes for long term stability – “new normal”**
- **Balance with combination of:**
 - Revenue new or enhanced
 - Reduce services
 - Spend reserves
 - Increase efficiencies

Why are Contingencies and Reserves so Important?

- **Savings accounts**
- **Planning tool**
- **Stewardship of reserves provides time to respond to economic factors and meet goals**

What do we see for the future?

- **Revenue Flat at lower level**
- **Steady cost increases**
- **Decreasing ability to meet service requests**
- **Shrinking Reserves**

What are we looking for?

- **A Balance of revenue, expense and reserve options**
- **A new sustainable financial model**
- **Allowing PW to provide Lane County's community and visitors with safe and reliable Road and Bridge systems for years in to the future, and**
- **Promote stewardship of both structural and financial assets**

Coming Soon

- **Balancing needs with resources**
 - **Revenue**
 - **Operations, Maintenance, and Preservation**
 - **Emergency response**
 - **Safety Improvements**
 - **Expansion ~ Territorial Road, Goshen**

Sweet Creek Road



Grant supported project. Total cost of project \$6.4 million, received grants of \$5.6 million. Balanced with reserves.