

(This packet was printed on recycled paper.)

Public notice was given to *The Register-Guard* for publication on March 4, 2012.

**LANE TRANSIT DISTRICT
BOARD OF DIRECTORS
HUMAN RESOURCES COMMITTEE**

**March 9, 2012
4:00 p.m.**

**LTD CONFERENCE ROOM
3500 E. 17th Avenue, Eugene
(off Glenwood Blvd.)**

Public testimony will not be heard at this meeting

AGENDA

Page No.

- | | | |
|------|---|----|
| I. | CALL TO ORDER | |
| II. | ROLL CALL | |
| III. | Dubick (Chair) _____ Gillespie _____ Kortge _____ | |
| IV. | APPROVAL OF MINUTES | 2 |
| | <ul style="list-style-type: none">• Minutes of the September 28, 2010, LTD Board Human Resources Committee meeting (pg. 2)• Minutes of the October 12, 2010, LTD Board Human Resources Committee meeting (pg. 7)• Minutes of the April 26, 2011, LTD Board Joint Finance and Human Resources Committee meeting (pg. 12)• Minutes of the January 24, 2012, LTD Board Joint Finance and Human Resources Committee meeting (pg. 16) | |
| V. | GENERAL MANAGER EVALUATION PROCESS | 19 |
| VI. | NEXT MEETING | |
| VII. | ADJOURNMENT | |

MINUTES OF HUMAN RESOURCES COMMITTEE MEETING
LANE TRANSIT DISTRICT BOARD OF DIRECTORS

September 28, 2010

Pursuant to notice given to *The Register-Guard* for publication on September 23, 2010, and distributed to persons on the mailing list of the District, a meeting of the Lane Transit District Board of Directors Human Resources Committee was held on Tuesday, September 28, 2010, in the District's Board Room at 3500 E 17th Avenue, Eugene.

Present: Michael Dubick, Chair
Gary Gillespie
Dean Kortge
Mark Pangborn, General Manager
David Collier, Senior Analyst, Human Resources and Risk Management
Jeanne Schapper, Clerk of the Board
Susan Oldland, Administrative Secretary, Human Resources/Recording Secretary

Absent: Mary Adams, Director of Human Resources and Risk Management

CALL TO ORDER: Mr. Dubick called the meeting to order at 4:10 p.m. and called the roll.

APPROVAL OF MINUTES: Mr. Kortge moved approval of the minutes of the August 24, 2010, meeting as written. Mr. Gillespie provided the second.

VOTE The motion was approved as follows:
AYES: Dubick, Gillespie, Kortge (3)
NAYS: None

Mr. Pangborn explained that Ms. Adams chose to not attend the meeting since she intends to apply for the general manager position and wishes to keep the separation clear.

GENERAL MANAGER EVALUATION PROCESS: Mr. Collier began the discussion by asking Committee members to review and finalize a list of key community contacts. Selected individuals on this list will be contacted by a Board member for feedback on Mr. Pangborn's performance over the past year. Feedback will be driven by a list of interview questions developed over the past few months. Committee members reviewed and finalized contact assignments, and Mr. Collier agreed to update and email this list to Board members. Feedback is due by back to October 15, 2010.

Mr. Kortge brought attention to the four evaluation interview questions developed by the Committee that will be asked of community leaders. He asked about the purpose of the first question, "What challenges do you see ahead?" and remarked that the question seems very general. He asked if its purpose is to invoke thoughts and ideas for desired characteristics in the next general manager.

Mr. Dubick responded that the first question is intended to help focus the discussion on what challenges are foreseen for the future of LTD.

Mr. Pangborn suggested that two of the questions be combined into a single question about what leadership characteristics the next LTD general manager should have in order to carry LTD forward into the future. Additionally, he suggested adding a new question that asks what characteristics are undesirable for the general manager.

Mr. Kortge agreed that combining the two questions makes sense, and suggested that the discussion could begin by asking the interviewee to rate the general performance of LTD's current manager. He added that he wants to ensure consistency in the process. Mr. Dubick remarked that it will be interesting to review the responses for consistencies, identify patterns, and determine next steps for communicating the information, such as a luncheon with Budget Committee members.

Mr. Pangborn explained that once LTD codifies the information for the Board, members can decide what the next steps in the information-sharing process will be. Mr. Kortge inquired about the purpose of such a process, and Mr. Pangborn explained that it will test the model. For example, once LTD collects and categorizes the information, the Board can review it and decide to hire a head hunter, or test it with a focus group for verification.

Mr. Kortge voiced concern that the first step should really be a clear discussion with a search firm, which will help refine and clarify what characteristics LTD and the community are looking for in the next general manager. Mr. Pangborn added that an experienced search firm will test the questions and help LTD vet the process. Mr. Kortge stated the he wants to ensure that the Board confers with the experts before proceeding too far into the process. He also relayed a second concern, which is the danger of angering a larger group if their thoughts are not ultimately included in the process. He feels it is important to balance input and decision making, especially in choosing a replacement for the general manager position.

Mr. Gillespie cautioned that being asked for input and not included is better than not being asked at all. Mr. Kortge agreed and said again that balance requires a trade-off. Mr. Dubick added that his thoughts earlier in the process included erring on the side of too much public input, but that as a more cohesive picture emerges, the process will become apparent.

GENERAL MANAGER SELECTION PROCESS: Mr. Pangborn requested that Mr. Collier review the draft outline for the selection process, which was included in the meeting packet. Mr. Collier clarified that the steps need to be refined, and details, such as timelines and responsible parties, need to be determined.

Mr. Kortge pointed out that it is sensible for Mr. Collier to manage the selection process, but wanted to ensure that members are comfortable with the fact that he works for Ms. Adams. Mr. Pangborn pointed out that the recruiting firm will be handling much of the process, and that Mr. Collier's role is one of support. Additionally, it is likely that the recruiting firm will be out of state and that LTD staff will need to provide the local coordination.

The first step of the process is the general manager evaluation, as discussed in the preceding agenda item. The input is due back by October 15, and will be compiled and given to Mr. Collier and Ms. Oldland. In the second step, the selection of the recruiting firm, the Executive Search Committee will be responsible.

Committee members reviewed the general manager selection outline provided by Mr. Collier. He provided clarification to Committee members regarding profile determination and how that relates to Mr. Kortge's concerns about public input. Mr. Kortge added that the selection of the firm be added to the outline, with a timeline of December 2010. Mr. Kortge also asked how staff input to the candidate profiling process will be completed. Mr. Pangborn replied that the process is variable and may have a written component. Mr. Dubick remarked that in the recently viewed webinar on selecting a transit CEO, the search firm did this step. Mr. Collier replied that the firm can interview key people, or have a "survey monkey" for anyone who wants to give input and remain anonymous. The firm could then contact select respondents to verify the information. Mr. Kortge interjected that input on what people do not want in a general manager is also very important. Mr. Dubick asked when the profile should be complete, and members agreed that the process should be finished sometime in late December or early January. Mr. Pangborn pointed out that the new general manager's position is going to become increasingly public, and that the input process is vital to choosing the best person for the job.

Mr. Kortge then reviewed the recruiting timeline, which will take about two months, beginning sometime in January. Mr. Pangborn clarified that sometime around mid-March the firm likely will review and sort applications, over a period of about two weeks. They will then turn the process over to the Board, who will decide the number of candidates. The Board will then consult with the recruiter and select the interview pool. Mr. Collier gave an example of the process. During the general manager search in Austin, Texas, the search firm selected 14 "scrubbed" (semi-final) resumes for the Board, which was then reduced to six. Two candidates then dropped out, for a final candidate pool of four.

Mr. Gillespie stated that he is cautious about process timeframes, since this process will occur during the holidays and spring break. He pointed out that the timeline will also vary depending on the candidate pool. For example, if eight good candidates emerge, more than one round of interviews may be required. These interviews may need to be spread out over two or more days, with at least two interviews per day. Mr. Dubick concurred with the importance of keeping timeframes as tight as possible.

Mr. Pangborn recommended that Mr. Collier develop a draft request for proposals as soon as possible, as well as a list of likely firms. Mr. Kortge concurred. Mr. Gillespie mentioned he recently had a good experience with the firm that recruited the planning director for the City of Eugene. Mr. Collier stated that he would add this contact to his list.

Mr. Pangborn agreed that the search needs to commence immediately. Mr. Collier stated that the Executive Search Committee will have its first meeting on Thursday, September 30, to launch the process.

Mr. Dubick cautioned that hiring the right candidate for the position is paramount, regardless of timeframes. He feels it is better to recruit a second time, and have an interim manager, than to hire a poor fit.

Mr. Collier asked if the HR Committee is turning over the search to the Executive Search Committee. Mr. Dubick confirmed that the Executive Search Committee will conduct the search.

Mr. Dubick asked about the next task to complete for this process. Mr. Gillespie stated that the next task is to collect and compile input from interviews.

Mr. Pangborn explained that the HR Committee's next tasks will pertain to labor negotiations, with the need to focus on health care and pension plans. The ability to pay is a significant issue, so LTD needs a new model for health care and pension plans. Current health care bids are in the 20 to 24 percent increase range, so management will need to confer with the union to proceed. He explained that the two different health care plans LTD currently has in place with Pacific Source, one for the union and one for administration, are the reasons for increase. Utilization for the union plan is 100 percent, with a 30 percent overhead, which is partly driving the increase. The aging population is also responsible for the increase.

Mr. Gillespie mentioned that a current a bill in the legislature would group government agencies, such as cities, counties, and special districts, for healthcare coverage.

Mr. Pangborn explained the healthcare scenario. The contract does not require LTD pay premium increases for employees, but the union argues that LTD should still pay 15 percent. LTD replied that premiums are just like wages, so if there is no plan by December, then employees will pay a premium share. This increase, which would come into effect January 1, 2011, would provide incentive for the union to negotiate a new contract. Mr. Gillespie asked if an interim contract – for example, one year – is possible. Mr. Pangborn replied that he would be reluctant to have a one-year contract, and favors a three-year agreement. He stated that after the October 13 and 14 bargaining sessions, LTD will have a better idea of where the union stands on the contract length and healthcare issues.

Mr. Pangborn explained that reworking the pension plan is also a negotiations issue. The current plan is not sustainable in the long term, and a new model must be developed to keep the plans funded. This process is not timeline driven and has several scenarios, so is therefore likely to take some time to resolve. He stated that LTD needs to go to either a 100 percent deferred compensation plan with an employer match, or some type of hybrid deferred compensation/defined benefit combination. The upcoming International Foundation of Employee Benefit Plans conference, November 14-17, 2010, will provide perspective and information about what other organizations are doing. Mr. Kortge added a model should include a fixed contribution/benefit plan, so that lower-paid people have a higher fixed benefit, as opposed to a straight percentage. Mr. Pangborn explained that in the current plan, everyone has the same benefit, regardless of pay. The goal is to have some form of the current plan combined with an employee contribution component.

NEXT MEETING: November 9, 2010.

ADJOURNMENT: There was no further discussion, and the meeting was adjourned at 5:12 p.m.

Recording Secretary

<Q:\HR\Private\Board HR Committee\HR Committee\BD HR Comm minutes 9-28-10.docx>

MINUTES OF HUMAN RESOURCES COMMITTEE MEETING
LANE TRANSIT DISTRICT BOARD OF DIRECTORS

October 12, 2010

Pursuant to notice given to *The Register-Guard* for publication on October 7, 2010, and distributed to persons on the mailing list of the District, a meeting of the Lane Transit District Board of Directors Human Resources Committee was held on Tuesday, October 12, 2010, in the District's Board Room at 3500 E 17th Avenue, Eugene.

Present: Michael Dubick, Chair
Gary Gillespie
Dean Kortge
Mark Pangborn, General Manager
Mary Adams, Director of Human Resources and Risk Management
Diane Hellekson, Director of Finance and Information Technology
Mark Johnson, Director of Operations
David Collier, Senior Analyst, Human Resources and Risk Management
Jeanne Schapper, Clerk of the Board
Susan Oldland, Recording Secretary
Warren Wong, Guest

CALL TO ORDER: Mr. Dubick called the meeting to order at 1:37 p.m. and called the roll.

FUTURE DESIGN OF LTD PENSION TRUSTS: Ms. Adams explained that the purpose of the meeting was to begin exploration of various options for LTD's pension plans, based on several months of prior discussion with ATU leadership.

Mr. Pangborn gave some basic background to Committee members. He explained that the ATU plan is 51 percent funded and the Administrative plan is 68 percent funded. These numbers show that the plans are substantially underfunded, and that LTD needs to develop a strategy to deal with this shortfall. He clarified that the Committee and staff need to determine if the current plans are sustainable or if LTD needs to look at different alternatives.

Ms. Adams explained that staff are seeking guidance from the Committee on the different plan models that have been recently developed. Driven by the upcoming expiration of the collective bargaining agreement, a pension plan working group was developed. This group is composed of LTD management and ATU officers and has met several times to discuss some available pension plan models, particularly those considered by other public employers. The group has been working closely with the trust's actuary, Pete Sturdivan of Milliman, to develop these options. Mr. Sturdivan has worked with LTD for many years, is familiar with the changes the trusts have experienced, and recently developed some alternative plan models, which are included in the meeting packet.

Ms. Adams walked the Committee through the various alternatives. First she summarized the types of plans currently in place for LTD employees. These plans, for both ATU and Administrative employees, are known as defined benefit plans. A defined benefit plan guarantees a certain monthly benefit to the employee upon retirement. It is a common model for public employers with unions, and ATU strongly supports this type

of plan. The cash balance plan is similar in terms of funding but expresses the benefit in a balance. For the employee, it resembles a 401 plan where the benefit is described as an amount as opposed to a monthly benefit. The money purchase plan is a defined contribution plan in which the employer decides how much money to put into the plan, and the employee has a variable benefit based on years of service and the investment performance. This plan resembles a private employer's 401-K model. There are different ways to use these plans that still allow management by a board of pension trustees. The person taking the benefit would still get a monthly amount from an annuity account as opposed to a lump sum amount. A money purchase plan is more flexible than a defined contribution plan.

Ms. Adams explained that Mr. Sturdivan summarized the various plans' pros and cons for employers and employees, and has developed proposals for the type of plan LTD may adopt in the future. Proposal One is for LTD to continue offering a defined benefit plan, which is the current plan for LTD's represented employees. The plan is guaranteed, and the employee assumes none of the risk. This type of plan has no downside for the employee, except that the plan is not transferable if the employee moves to another employer. For younger employees that do not plan to spend their careers in one place, this option is not attractive. The benefit of this type of plan is that it is completely predictable and simple to calculate: years of service at a dollar multiplier. In this case, employees can figure out their own benefits. The cash balance is a modified defined benefit plan that expresses benefits in terms of account balances and is included for consideration as Proposal Two.

The money purchase plan, Proposal Three, begins to shift some of the risk to the employee. Labor unions are less likely to support this type of plan. The employer is required to contribute a certain amount of money, and the employee assumes the risk for how the investments perform over time. This plan can be set up so that the employee is required to take a monthly benefit through an annuity Management and the ATU have been discussing this type of model.

Mr. Pangborn clarified that the defined benefit and defined contribution plans are like bookends of employer risk, with the cash balance plan in the middle as a hybrid of the two.

Ms. Hellekson explained that the cash balance plan has the advantage of allowing LTD complete control over the annual employer contribution amount. She gave the example of an easily attainable rate of return of 4 percent with a structured portfolio. The employee knows every year exactly how much is there when he or she gets to retirement, also has control over timing, and can shop for annuity. A lump sum amount can be used to purchase an annuity.

Mr. Pangborn explained that there are two pieces to a money purchase plan. First, LTD puts in a certain amount of money, for example a percentage of the salary, and guarantees an assumed return rate. The rate would be low enough to ensure the return and would be annuitized. Second, that the District contributes a certain amount and/or matches an employee contribution. The employee would be allowed to take the money in a lump sum or annuitized.

Mr. Gillespie asked if the annuity would be determined based on an actuarial table.

Ms. Hellekson explained that one of the advantages is that LTD would turn the accounts over to a private vendor upon retirement.

Ms. Hellekson explained the key differences of the two plans: in a cash balance plan, the employee cannot lose money; with the money purchase plan, the employee can lose money subject to the performance of the market.

Mr. Gillespie asked if an attempt has been made to offer a "buy out".

Ms. Adams recounted that one person took a retirement incentive package last fall, while twelve more retired with an incentive package in the spring and summer as part of the service reduction and when layoffs appeared imminent. No additional discussions of buy-outs have been part of the current contract negotiations.

Mr. Gillespie asked if the ATU Local 757 would be the first in the region to move to a defined contribution-style plan. He pointed out that it would be a big leap for LTD to be the first.

Ms. Adams replied that the Local does have a model for this plan; Rogue Valley has a defined contribution plan for its represented employees.

Mr. Pangborn described the Oregon landscape for the ATU Local 757 in Portland, Salem, Corvallis, LTD, Rogue Valley, and Bend, which all have different plans. TriMet's plan is big and not comparable to LTD. For example, every time a working employee gets a pay raise, a comparable increase occurs in the retirement benefit. This benefit, among other reasons, is why TriMet's benefit overhead is 152 percent of total salary. Salem's plan, a defined benefit plan, is similar to LTD's administrative retirement plan, which is a percentage of salary. LTD's ATU plan is based on years of service. Currently the benefit is \$64 per year of service, paid monthly. Medford has a defined contribution plan, with a 2 percent employee contribution and a 1 percent employer match. Bend and Corvallis, while represented by the ATU, are private contractors and have defined contribution plans. Consequently, among regional and comparable districts, there is no pattern for bargaining retirement. However, if LTD were to change plan types, it would be the first agency to change to an alternate plan.

Mr. Dubick summarized for clarification that the cash balance plan is the "hybrid" defined benefit/deferred contribution plan; that LTD and the employee could make contributions; and that it would be a portable, investment-type plan.

Ms. Hellekson agreed and added that the plan would guarantee a certain rate of return every year that the employee participated and would have an end-of-year dollar amount. At retirement the employee would then take that amount and turn it into an annuity with whatever features they choose. At that point, LTD would no longer be responsible for administration of the retirement plan.

Ms. Adams explained that LTD union representatives have discussed some fundamental requirements and that a similar discussion has not occurred with administrative employees. ATU feels strongly that they want a model where the money is managed at a group or trustee level, as opposed to individuals making individual investment choices. Close to 45 percent of employees that have voluntary deferred compensation plans use a standard investment model, so the group has not demonstrated an interest in

individual investment management. Union representatives also want to protect employees from getting a lump-sum payment that could be used for a purpose other than retirement, and consequently prefer a model utilizing an annuity cash-out. A straight defined contribution model would not accommodate this need since it requires a lump sum payment.

Mr. Kortge noted that it may be possible for the retiree to sell his or her annuity and that LTD should look into a way to protect against such a possibility.

Mr. Pangborn summarized the two pieces of the plan. He added that the defined contribution could require an employee match as well and would be self-managed. This plan would be a stable, conservative plan and dependent on the market. From LTD's perspective, switching to only a defined contribution plan would be a huge leap. It is likely that such a change would be difficult for the union to assimilate and absorb.

Mr. Johnson agreed, noting that few of the Union employees participate in the current defined contribution plan. LTD does not offer a matching contribution on the current plan.

Ms. Adams pointed out that Union leaders understand the need for individuals to contribute their own funds.

Mr. Wong stated that moving to a deferred contribution plan would be a big leap; but he added that he believes defined benefit plans to be a thing of the past, particularly since the employers take on the entire risk. He added that a movement toward cash balance is a good way to go and that LTD could provide a one-time incentive for Union members to make the transition. He also warned against implementing a two-tier plan and explained that having different plans could create difficulties and disquiet among employees.

Mr. Pangborn clarified that the new plan would be only for new employees, so LTD would need to have a two-tier plan.

Mr. Kortge asked if it would be possible to freeze the old plan and move employees to the new plan; and if so, what it would take to convince them to do so.

Mr. Wong stated that an incentive would be necessary, even if it were just a one-time offer to demonstrate that the employee would not lose.

Mr. Kortge agreed that new employees would be giving up a potential future benefit, and that an incentive would be needed.

Mr. Wong suggested that LTD could run some scenarios: 1) a 20-year employee working 10 to 20 more years in order to show rates of return and provide some assurance that employees would get approximately the same amount, or a guarantee; and 2) a cash pay-out incentive.

Mr. Kortge said that the first scenario, assuming a 7.5 percent to 6 percent rate of return, could equal a \$500,000 per year savings to the District.

Ms. Adams explained that employees begin paying attention to their retirement at about age 40. Over 80 percent of LTD employees are over this age; so it is important to

assure these employees about their retirement, with the assumption that those under 40 will be able to make up the difference over time.

EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(d) – Mr. Dubick moved that the Board meet in Executive Session pursuant to ORS 192.660(2)(d), to conduct deliberations with persons designated by the governing body to carry on labor negotiations.

VOTE The motion was approved as follows:
 AYES: Dubick, Kortge, Gillespie
 NAYES: None
 ABSTENTIONS: None

The Board entered Executive Session at 2:17 p.m.

RETURN TO REGULAR (OPEN) SESSION – The Board returned to regular session at 2:56 p.m.

ADJOURNMENT: There was no further business, and the meeting was adjourned at 2:56 p.m.

Recording Secretary

<Q:\Reference\Board Packet\2012\02\HR Comm Mtg 02-28-12\BD HR Comm minutes 10-12-10.docx>

MINUTES OF THE JOINT HUMAN RESOURCES
AND FINANCE COMMITTEES MEETING
LANE TRANSIT DISTRICT BOARD OF DIRECTORS

April 26, 2011

Pursuant to notice given to *The Register-Guard* for publication on April 22, 2011, and distributed to persons on the mailing list of the District, a joint meeting of the Lane Transit District Board of Directors Human Resources and Finance Committees was held on Tuesday, April 26, 2011, in the District's Board Room at 3500 East 17th Avenue, Eugene.

Present: Dean Kortge, Finance Committee Chair
Gary Gillespie
Ed Necker

Mark Pangborn, General Manager
Mary Adams, Director of Human Resources and Risk Management
David Collier, Senior Analyst, Human Resources and Risk Management
Diane Hellekson, Director of Finance and Information Technology
Susan Oldland, Human Resources Administrative Secretary, Recording Secretary
Pete Sturdivan, Milliman

Absent: Michael Dubick, Human Resources Committee Chair

CALL TO ORDER: Mr. Kortge called the meeting to order at 4:07 p.m. and called the roll.

LTD PENSION PLAN PROPOSALS: Ms. Adams provided a recap of the process to date regarding discussions for possible changes to LTD's two pension trust plans:

- February 7, 2011, Board Human Resources Committee met to discuss a process for reviewing pension plans, develop a schedule, and determine who should be involved.
- March 4, 2011, Board Human Resources Committee met to discuss models developed by Milliman, the actuary for the plans.
- Values Questionnaire on Retirement Benefits was completed by all Board members and responses were discussed at an April 11, 2011, Board work session.
- Results of the Board work session, which was also attended by five citizen members of the LTD Budget Committee, were given to Milliman to design one or more plans that would match the Board's direction.

Mr. Sturdivan was in attendance to present pension plan options that would be more cost effective for the District. He reviewed the values developed by the Board on April 11, which was included in the agenda packet.

From an HR perspective, the retirement program is one of the components used for recruiting and retaining. In terms of recruitment, you look at how it compares to other plans. In terms of retaining, does the plan consist of elements that make an employee want to stay?

Mr. Sturdivan distributed copies of Milliman's "Retirement Program Analysis" and presented three options for the committee to consider:

- Proposal 1 - "Cash Balance Plan" - a modified defined benefit plan that expresses benefits in terms of account balances. The contributions made to the plan are made to a hypothetical account on the participant's behalf, and the District would determine the rate of interest to be earned on that account. The benefit is typically paid out as a lump sum at retirement, but it could also be annuitized.
- Proposal 2 - "Defined Contribution Plan" - provides a benefit based on the accumulation of predetermined contributions. It differs in that the contribution made to the fund on the participant's behalf is the obligation of the District. The benefit is paid as a lump sum, rolled over, or annuitized.
- Proposal X - "Combination Plan" - a defined benefit plan and a defined contribution plan. The current administrative retirement program is a combination plan. The structure can take advantage of good features of both designs, including lifetime benefits and portable benefits.

Current administrative employees are covered by a "Defined Benefit Plan," which provides a definitely determinable monthly benefit at retirement. Typical monthly benefits are expressed as a flat dollar rate per year of service or a flat percentage of final average salary per year of service. Ms. Hellekson stated that 143 employees (90 ATU and 53 administrative) are currently active in the 457(b) deferred compensation plan. Employees have the option to opt in and out at any time. The District does not provide a match.

Mr. Sturdivan referred the committee to page 8 of the "Retirement Program Analysis" handout for a comparison of the current plan and the three proposed options.

Mr. Pangborn stated that the goal for creating a new plan is to reduce cost to the District.

Mr. Sturdivan believed that the Combination Plan is the best structured in terms of delivery of retirement benefits although it would be more expensive and more complicated than the other two options. The investment risk, however, is out of balance.

Ms. Hellekson stated that in the past ATU-represented employees opposed a straight Defined Contribution Plan because they did not believe the membership can be adequately educated to make the right decision regarding retirement. She liked the Cash Balance Plan because it guarantees the employee does not lose anything. The employee can time the retirement based on what the annuity market offers.

Mr. Sturdivan referred the committee to page 11 of the "Retirement Program Analysis" handout for a comparison of replacement income. In addition, a comparison of the estimated program costs (page 12) showed 17.8 percent for the Current Plan, 8.5 percent for the Cash Balance Plan, and 8.7 percent for the Defined Contribution Plan. He noted that the benefits for the proposed options were roughly half that of the Current Plan.

Bob Macherione, 1994 Brewer, Eugene, stated his concern that the unfunded liability of the pension plans was not on LTD's balance sheets. Ms. Hellekson stated that although it is not required to be stated on the balance sheet, it is disclosed in the note section in the *Comprehensive Annual Financial Report*.

Mr. Sturdivan continued with the following observations on benefits and costs:

- The Cash Balance Plan and the Defined Contribution Plan are designed to cost the District approximately 8-9 percent of covered pay, including matching contributions.
- The Cash Balance Plan comes with small risk of increasing contributions because the valuation interest rate is lower and the normal cost is also lower.
- The current benefit structure is significantly richer than the proposed structures. This may pose challenges for attracting and retaining future employees.
- If the current benefit structure's defined contribution component could be eliminated or reduced, that would immediately save the District significant revenue and bring greater parity between old and new benefit structures.
- Female members tend to do better than males under defined benefit structures because of their longer expected lifetimes.
- All costs and benefits discussion are draft quality and are intended for discussion purposes only. When the District wishes to cost out a final plan design, we will prepare fully peer-reviewed results.

In developing the costs of cash balance benefits for new members, Milliman reflected the age and gender mix of new ATU hires from 2003-2007 still working as of January 1, 2008. This work was applied to administrative members on the assumption that cash balance plan costs would not vary significantly by population group. Based upon 2009 valuation data from the District, Milliman constructed an "average" administrative member as male, working 2,080 hours per year and earning approximately \$65,000 in 2010. Milliman also used a \$65,000 salary as a basis for plan benefits and plan costs as a percentage of payroll.

The assumed investment assumption was 6.5 percent per year, net of investment fees, for determining the entry age normal cost for the current benefit structure and the preretirement defined contribution investment return. For the cash balance structure, Milliman used an assumed investment assumption of 6 percent per year prior to retirement. For converting cash balance and defined contribution benefits to annuities at age 62, interest rates were assumed to be 5.5 percent per year. Salaries were assumed to increase 3 percent per year, and a general price inflation of 2.5 percent per year was assumed.

Mr. Sturdivan added the following additional actuarial assumptions:

- RP-2000 Mortality Table with a three-year setback for males and females. For example, someone age 60 will actually experience the mortality of a 57-year-old person.
- Unless otherwise noted, actuarial assumptions were retained from the 2009 Actuarial Valuation for the current benefit structure.
- Cash balance costs are based upon work performed for the ATU/District pension work group. Milliman believes these estimates are sufficient for current discussion purposes.

- All employer defined contributions (including match) will become vested.
- 80 percent of active members were assumed to participate and be eligible for the matching contributions up to the 3 percent level.

Mr. Kortge recommended eliminating the Combination Plan option. He preferred the Cash Balance Plan.

Ms. Hellekson believed contract employees would not agree to a traditional defined contribution plan. She liked the Cash Balance Plan.

Mr. Gillespie asked if there was a way to turn the cash balance plan into a dual plan with a “kicker” should the investments be higher. Mr. Sturdivan believed it was possible by adding an ad hoc improvement to the interest crediting rate for any particular year.

Mr. Gillespie asked if a surplus could be applied to the unfunded liability. For example, if the rate of return was 15 percent and you credit 7 percent and take 3 percent to apply to the unfunded liability. Mr. Sturdivan stated that you could bifurcate your contribution amount. For example, 4 percent would go toward funding the plan and 2 percent would go toward paying off the unfunded liability, if the plan became unfunded.

Ms. Hellekson stated that the new plan would be 100 percent funded.

Mr. Gillespie would like to see a variation in the Cash Balance Plan if you had an exceptional year and/or another bleak (2008) year.

Ms. Adams stated that Everett Moreland, attorney at Herschner Hunter, would provide a legal review of any proposed plan.

In response to a question from Mr. Collier, Mr. Sturdivan stated that there are a number of ways to design the matching contribution.

Mr. Sturdivan stated that another option might be OPSRP, which is the PERS Tier 3 plan. Mr. Gillespie stated that OPSRP is a very simplistic plan.

The committee asked for Milliman to provide another level of costing and plan design on the Cash Balance Plan and the Defined Contribution Plan to be presented as a work session item at the June 2011 Board meeting.

ADJOURNMENT: There was no further business, and the meeting was adjourned at 5:57 p.m.

Transcribed by Chris Thrasher, Administrative Secretary.

Recording Secretary

MINUTES OF MEETING OF THE HUMAN RESOURCES AND
FINANCE COMMITTEES
LANE TRANSIT DISTRICT BOARD OF DIRECTORS

January 24, 2012

Pursuant to notice given to *The Register-Guard* for publication on January 22, 2012, and distributed to persons on the e-mail list of the District, a joint meeting of the Lane Transit District Board of Directors Human Resources Committee and Finance Committee was held at 4:30 p.m. on Tuesday, January 24, 2012, in the District's board room at 3500 East 17th Avenue, Eugene.

Present: Dean Kortge, Chair
Michael Dubick
Ed Necker
Gary Gillespie

Mary Adams, Director of Human Resources and Risk Management
Diane Hellekson, Director of Finance and Information Technology
Ron Kilcoyne, General Manager
Carol James, Chief Accountant/Internal Auditor
Todd Lipkin, Finance Manager
Mark Johnson, Director of Transit Operations
David Collier, Senior Human Resources Analyst
Susan Oldland, Human Resources Administrative Secretary
Jeanne Schapper, Clerk of the Board
Will Clark-Shim, Milliman Consulting Actuary, via teleconference
Chris Thrasher, Recording Secretary

CALL TO ORDER – Mr. Kortge called the meeting to order at 4:30 p.m. and reviewed the agenda.

LTD PENSION PLAN ACTUARIAL ASSUMPTIONS: A new defined contribution pension plan for administrative employees hired on or after January 1, 2012, was approved by the LTD Board of Directors in 2011. Mr. Clark-Shim of Milliman joined the meeting via conference phone to review options regarding the original "legacy" administrative pension plan, which closed to new entrants January 1, 2012. The committee was asked to provide guidance regarding how to determine how the current plan assets are valued and the length of time the District should take to pay off the plan's unfunded actuarial liability.

Mr. Clark-Shim referred the committee to a letter dated December 19, 2011, which was included in the agenda packet. He stated that the contribution rate for paying off unfunded actuarial liability and covering administrative expenses would consist of 11.5 percent of covered pay **plus** one of three options: 20-Year Layered (current plan) from \$567,000 in the first year down to \$517,000 in the fourth year; 20-Year Fresh Start at \$556,000 per year; and 30-Year Fresh Start at \$492,000 per year. For comparison purposes, the recommended 2011-2012 contribution was 18.3 percent of payroll. If calculated in the same manner, the 2012-2013 contribution schedules would be 23.7 percent, 23.5 percent, and 22.1 percent of payroll for the three options, respectively.

MOTION After a lengthy discussion, Mr. Gillespie proposed a motion, seconded by Mr. Necker, to eliminate the 30-Year Fresh Start option.

VOTE The motion was approved unanimously by a separate vote of the Board HR Committee and the Board Finance Committee members.

Ms. Hellekson stated that the 20-Year Fresh Start option, with the fixed amount, would be easier to budget than the 20-Year Layered option. She noted that an actuarial evaluation is done once every two years and amounts could change. Mr. Clark-Shim stated that changes in assumptions can change the amount of the recommended contribution. Also, the standards for determining the expected rate of return are changing, resulting in less latitude.

Mr. Clark-Shim stated that the Plan's investment returns are "smoothed" over a three-year period in order to reduce the effect of investment return volatility on contribution rates. It is Milliman's opinion that it would be best to select an asset smoothing method with a long-term focus. It is not a good idea to selectively reset the asset value to the market value (and smooth going forward) when the market value of assets exceeds the smoothed value of assets. However, with the closure of the Plan, a one-time reset to market value to offset the effect of the Plan closure might help transition to the new contribution calculations.

The committee preferred the 20-Year Fresh Start option and asked staff to proceed with making the changes.

Mr. Kortge opened discussion regarding the 7.5 percent rate of return assumption. Mr. Clark-Shim stated that Milliman's modeling as of June 30, 2011, which assumed a 2.75 percent inflation rate, showed an expected return over 30 years of approximately 7 percent. It would be desirable to have a more conservative investment allocation as employees retire.

Mr. Dubick believed it made sense to be more conservative with investments as employees near retirement. We should be looking at an expected rate of return that is more conservative than present.

Mr. Necker agreed with Mr. Dubick.

Mr. Gillespie favored waiting a year to review.

Mr. Kortge asked the audience if they had any questions.

Bob Macherione, 1994 Brewer, Eugene, asked what the rate of return has been over the last ten years. Mr. Clark-Shim replied the ten-year rate of return has been bleak.

Brian Weaver, 1365 Grant Street, Eugene, believed that the 100-year average was 5 percent. Mr. Clark-Shim stated that real rate of return may be net of inflation. When 3 percent is added for inflation, the 7-8 percent average is entered.

Mr. Clark-Shim disconnected from the meeting.

MEDICARE SUPPLEMENT BENEFIT: Ms. Adams provided information regarding the Medicare supplement benefit, in response to questions raised at a previous Board meeting. For many years LTD has provided a subsidy toward the cost of retiree health care. The subsidy, last increased in the 2007-10 Collective Bargaining Agreement, is \$250 per month toward the cost of the retiree health care plan if the employee is not Medicare eligible (under age 65), and

\$125 per month toward the cost of a Medicare supplement once the retiree is Medicare eligible. Since this is a subsidy toward the cost of the monthly premium, LTD pays the monthly premium and bills retirees for any balance due. This administrative process is time consuming. LTD offers five Medicare supplement plans, three of which that cost less than \$125 per month. Total cost to the District is approximately \$124,000 per year.

Mr. Kortge wanted the committee to consider whether it was necessary to pay a subsidy for retirees who are 65 and older and asked if it was a policy the Board wanted to continue. He noted that Medicare supplement plans can be purchased without paying a premium.

Ms. Hellekson stated that the benefit and amount were bargained as part of the ATU contract.

In response to a question from Mr. Gillespie, Ms. Adams stated that the estimated cost to administer the plans is \$6,000 per year.

Ms. Adams stated that LTD currently offers five plans because of complications where retirees live. Not all plans are portable.

In response to a question from Mr. Necker, the benefit could be eliminated, through bargaining, for current recipients.

Ms. Adams stated that Oregon law requires that employers offer a COBRA health care plan to retirees for a period of 18 months.

Mr. Kortge noted that LTD offers Medicare Advantage plans rather than Medicare supplement plans. Ms. Adams did not know any reason why LTD could not offer the supplement plans instead.

Ms. Hellekson stated that providing a benefit to a retiree is non-taxable; providing payment on the other hand is taxable. The \$125 benefit can be split between the employee and spouse.

Mr. Jozef Siekiel-Zdzienidei, 1025 Taylor Street, Eugene, asked if the benefit was offered for recruitment purposes. Ms. Adams described it as a retention benefit. Large employers might use it in recruiting packages.

Mr. Dubick excused himself and left the meeting.

The committee members thanked Ms. Adams for providing the information.

ADJOURNMENT – There was no further discussion, and the meeting adjourned at 5:45 p.m.

Transcribed by Chris Thrasher, LTD Administrative Secretary.

Recording Secretary

Q:\Reference\Board Packet\2012\01\Joint HR Fin 01-24-12\MIN 1-24-12.docx

BOARD HUMAN RESOURCES COMMITTEE AGENDA ITEM SUMMARY

DATE OF MEETING: March 9, 2012

ITEM TITLE: GENERAL MANAGER EVALUATION PROCESS

PREPARED BY: Mary Adams, Director of Human Resources and Risk Management

ACTION REQUESTED: Approval of Process for Annual General Manager Evaluation

BACKGROUND:

One of the functions of the Board Human Resources Committee is to manage the annual review of the general manager. In the past the Committee would approve the process for staff to implement during a fall meeting. For several years the process has involved a two-year cycle in which local community leaders are asked for input on odd-numbered years and the Leadership Council members are asked for input on even-numbered years.

However, with the hiring of a new general manager in July 2011, the Board's Human Resources Committee has deviated from this practice. At the Committee's September 27, 2011, meeting, staff were directed to set up an internal survey of senior staff only, with the intent of providing the general manager with early feedback on his performance in this new role. At the same meeting, it was discussed that there would be a second part of the evaluation process that would be done at a later time and would provide the Board with information from key community leaders.

At the February 28 meeting, staff will recommend a process with three components: (1) it will include the standard General Manager Evaluation tool to be completed by Board members; (2) a set of open-ended questions to be asked of a select group of community leaders; and (3) a structured feedback survey to be provided to all LTD staff. This three-pronged approach will give the Board a broad range of feedback from which to assess the early performance of the new general manager. This process will be discussed at the meeting, and staff guidance will be sought from Committee members.

ATTACHMENTS:

- Assessment of the General Manager Tool (2009)
- Sample Community Leader Interview Questions (2009)
- Interview Questions for Key Community Leaders (2007)
- Employee Input Tool (2006)
- Community Leaders – General Manager Evaluation

<Q:\Reference\Board Packet\2012\02\HR Comm Mtg 03-09-12\AgenSum GM Evaluation.doc>

ASSESSMENT OF THE GENERAL MANAGER

September 2009

Reprinted with permission from www.boardsource.org. BoardSource, formerly the National Center for Nonprofit Boards, is the premier resource for practical information, tools, and training for board members and chief executives of nonprofit organizations worldwide. For more information about BoardSource, call 800-883-6262 or visit www.boardsource.org. BoardSource © 2009. Text may not be reproduced without written permission from BoardSource.

How to Complete the Questionnaire

This questionnaire is designed to help the LTD Board of Directors, your colleagues, and the general manager assess the general manager's performance. It should take 30 to 60 minutes to complete. *To encourage candor, the questionnaire does not ask for your name.* Your confidential responses, along with the responses of your colleagues, will be summarized and shared with the general manager at a meeting with a small committee of the Board. Each section begins with a brief description of an important area of responsibility. Please read it and then answer the questions that follow. The questions measure your level of satisfaction with how well the general manager is carrying out various aspects of each responsibility. Check off the number representing the degree to which you are satisfied or not satisfied with the general manager's performance in each responsibility mentioned. The answer you mark can range on a scale of 1 to 4, with 1 representing "Very Dissatisfied" and 4 representing "Very Satisfied."

1. Very Dissatisfied
2. Dissatisfied
3. Satisfied
4. Very Satisfied

You also have the option of answering "Not Sure" if you are not certain about a specific answer. If you think a particular question does not apply to LTD, please mark "Not App." (Not Applicable).

At the end of each section and at the conclusion of the assessment are a number of open-ended questions. Please take the time to answer these questions, since your responses will be especially helpful when the Board and general manager look for ways to strengthen the manager's performance and that of the transit system as a whole.

After the Board and the general manager have completed the assessments, a meeting will be scheduled to review the results of this assessment. During this meeting, the assessment results will be used to identify areas for personal growth and draft action plans for the general manager's professional development. This meeting will also be a good opportunity to discuss ways in which the Board can better support or complement the general manager's work and to discuss mutual hopes for the future of the transit system.

Sample Question

		Not Satisfied		Satisfied		Not Sure	Not App.
How satisfied are you that the general manager		1	2	3	4	NS	NA
2-1	has worked with the Board to develop a clear vision for the transit system and understands his or her own leadership role?						

Reprinted with permission from www.boardsource.org. BoardSource, formerly the National Center for Nonprofit Boards, is the premier resource for practical information, tools, and training for board members and chief executives of nonprofit organizations worldwide. For more information about BoardSource, call 800-883-6262 or visit www.boardsource.org. BoardSource © 2009. Text may not be reproduced without written permission from BoardSource.

Section I. Vision, Mission, and Strategies

The general manager's role has both strategic and operational components. Working with the Board, the general manager must develop a shared vision for the future of the transit system, build understanding around the current mission, and develop appropriate goals and strategies to advance that mission.

		Not Satisfied		Satisfied		Not Sure	Not App.
How satisfied are you that the general manager		1	2	3	4	NS	NA
1-1	has worked with the Board to develop a clear vision for LTD and understands his or her own leadership role?						
1-2	has worked with the Board to translate LTD's mission into realistic goals and objectives?						
1-3	has worked with the Board and staff to create an effective process for long-range or strategic planning at LTD?						

What are the major strengths of the general manager in this area?

How can the general manager do better in this area?

Reprinted with permission from www.boardsource.org. BoardSource, formerly the National Center for Nonprofit Boards, is the premier resource for practical information, tools, and training for board members and chief executives of nonprofit organizations worldwide. For more information about BoardSource, call 800-883-6262 or visit www.boardsource.org. BoardSource © 2009. Text may not be reproduced without written permission from BoardSource.

Section II. The General Manager/Board Partnership

The general manager and the Board must work together as partners. Each arm of leadership draws upon its own unique strengths and abilities. The general manager and the Board have joint responsibility for developing and maintaining a strong working relationship and a system for sharing information. The Board is responsible for creating a written job description for the general manager that is clear and agreed to by all parties.

		Not Satisfied		Satisfied		Not Sure	Not App.
How satisfied are you that the general manager		1	2	3	4	NS	NA
2-1	is clear about the differences between his or her role and that of the Board?						
2-2	is an effective partner with the Board in leading LTD?						
2-3	raises issues and questions and provides adequate information to inform Board discussions?						

What are the major strengths of the general manager in this area?

How can the general manager do better in this area?

Reprinted with permission from www.boardsource.org. BoardSource, formerly the National Center for Nonprofit Boards, is the premier resource for practical information, tools, and training for board members and chief executives of nonprofit organizations worldwide. For more information about BoardSource, call 800-883-6262 or visit www.boardsource.org. BoardSource © 2009. Text may not be reproduced without written permission from BoardSource.

Section III. The Board/Staff Relationship

Because many transit system issues require a partnership of Board and staff to be addressed effectively, it is important that the Board, general manager, and staff members assigned to assist the Board in carrying out its work have a good and strong working relationship.

		Not Satisfied		Satisfied		Not Sure	Not App.
How satisfied are you that the general manager		1	2	3	4	NS	NA
3-1	has established appropriate systems for dialogue and communication between the Board and staff to ensure that the Board maintains a good knowledge of LTD?						
3-2	appropriate staff members have built effective working relationships with the members of the Board who are responsible for specific aspects of transit system governance?						
3-3	has a collegial working relationship with the staff and the Board?						

What are the major strengths of the general manager in this area?

How can the general manager do better in this area?

Reprinted with permission from www.boardsource.org. BoardSource, formerly the National Center for Nonprofit Boards, is the premier resource for practical information, tools, and training for board members and chief executives of nonprofit organizations worldwide. For more information about BoardSource, call 800-883-6262 or visit www.boardsource.org. BoardSource © 2009. Text may not be reproduced without written permission from BoardSource.

Section IV. External Liaison and Public Image

The general manager and Board members are key players in establishing and maintaining positive relationships with the many groups that support the work of the transit system.

		Not Satisfied		Satisfied		Not Sure	Not App.
How satisfied are you that the general manager		1	2	3	4	NS	NA
4-1	maintains a positive, professional reputation in the local community and is an articulate and knowledgeable spokesperson and ambassador for LTD?						
4-2	cultivates effective relationships with						
	a. community and business leaders?						
	b. bus riders?						
	c. public officials?						
	d. relevant professional organizations?						
	e. members of the press?						
4-3	is knowledgeable about the public policy dimension of LTD's work?						
4-4	is well regarded by his or her professional peers in the public transportation field?						

What are the major strengths of the general manager in this area?

How can the general manager do better in this area?

Reprinted with permission from www.boardsource.org. BoardSource, formerly the National Center for Nonprofit Boards, is the premier resource for practical information, tools, and training for board members and chief executives of nonprofit organizations worldwide. For more information about BoardSource, call 800-883-6262 or visit www.boardsource.org. BoardSource © 2009. Text may not be reproduced without written permission from BoardSource.

Section V. Effectiveness in Resource Development

The general manager, in partnership with the Board and appropriate staff, is responsible for developing and implementing appropriate financial development strategies. The general manager and Board use their combined strengths, knowledge, and relationships to help the transit system achieve its objectives.

		Not Satisfied		Satisfied		Not Sure	Not App.
How satisfied are you that the general manager		1	2	3	4	NS	NA
5-1	has a clear understanding of the current and future financial resources needed to realize LTD's mission?						
5-2	is innovative in the creation of partnerships with local government or other institutions that contribute to LTD's resources?						

What are the major strengths of the general manager in this area?

How can the general manager do better in this area?

Reprinted with permission from www.boardsource.org. BoardSource, formerly the National Center for Nonprofit Boards, is the premier resource for practical information, tools, and training for board members and chief executives of nonprofit organizations worldwide. For more information about BoardSource, call 800-883-6262 or visit www.boardsource.org. BoardSource © 2009. Text may not be reproduced without written permission from BoardSource.

Section VI. Fiscal Management

Ensuring that income is managed wisely is especially important for a public transit system. It is the role of the general manager to see that solid planning and budgeting systems are in place and that the transit system's goals and strategic plan serve as the basis for sound financial planning. In addition, it is the general manager's responsibility to ensure that qualified staff are hired to accurately monitor, assess, and manage the financial health of the transit system.

		Not Satisfied		Satisfied		Not Sure	Not App.
How satisfied are you that the general manager		1	2	3	4	NS	NA
6-1	is knowledgeable regarding financial planning, budgeting and management of LTD's finances, and understands the place of each in the system's overall financial picture?						
6-2	has established a system linking strategic and operational planning with LTD's budgeting process?						

What are the major strengths of the general manager in this area?

How can the general manager do better in this area?

Reprinted with permission from www.boardsource.org. BoardSource, formerly the National Center for Nonprofit Boards, is the premier resource for practical information, tools, and training for board members and chief executives of nonprofit organizations worldwide. For more information about BoardSource, call 800-883-6262 or visit www.boardsource.org. BoardSource © 2009. Text may not be reproduced without written permission from BoardSource.

Section VII. Operations Management

The general manager is responsible for day-to-day management. The general manager works with staff to develop, maintain, and use the systems and resources that facilitate the effective operation of the transit system.

		Not Satisfied		Satisfied		Not Sure	Not App.
How satisfied are you that the general manager		1	2	3	4	NS	NA
7-1	holds District staff accountable for effective management of LTD's resources as measured against the mission and strategic plan?						
7-2	acts as a role model and mentor for the professional development of LTD's leaders?						
7-3	ensures District compliance with all legal and regulatory requirements?						

What are the major strengths of the general manager in this area?

How can the general manager do better in this area?

Reprinted with permission from www.boardsource.org. BoardSource, formerly the National Center for Nonprofit Boards, is the premier resource for practical information, tools, and training for board members and chief executives of nonprofit organizations worldwide. For more information about BoardSource, call 800-883-6262 or visit www.boardsource.org. BoardSource © 2009. Text may not be reproduced without written permission from BoardSource.

Open-Ended Questions

1. What are the three major strengths of the general manager?
2. What are some limitations in the general manager's performance?
3. What have been the most significant achievements of the general manager during the past year?
4. What external factors have influenced the general manager's performance?
5. In the past year, what difficult issues have faced the transit system, and how did the general manager bring them to resolution?

Reprinted with permission from www.boardsource.org. BoardSource, formerly the National Center for Nonprofit Boards, is the premier resource for practical information, tools, and training for board members and chief executives of nonprofit organizations worldwide. For more information about BoardSource, call 800-883-6262 or visit www.boardsource.org. BoardSource © 2009. Text may not be reproduced without written permission from BoardSource.

-
6. Have any legal or ethical issues arisen with regard to the operations of the transit system? How were these brought to successful resolution?

 7. What are areas in which the Board could provide better support to the general manager?

 8. What should be the organizational goals for the general manager for the coming year?

 9. What should be the personal development goals for the general manager for the coming year?

 10. Additional comments:

Q:\Reference\Board Packet\2009\09\HR Comm 09-08-09\GM Eval Form Redraft 1 final - Bd Sept 2009.doc

Reprinted with permission from www.boardsource.org. BoardSource, formerly the National Center for Nonprofit Boards, is the premier resource for practical information, tools, and training for board members and chief executives of nonprofit organizations worldwide. For more information about BoardSource, call 800-883-6262 or visit www.boardsource.org. BoardSource © 2009. Text may not be reproduced without written permission from BoardSource.

LTD 2012 General Manager Evaluation
Sample Community Leader Interview Questions

1. What overall feedback do you have on the performance of LTD's general manager so far?

2. What have you observed so far that would indicate to you that LTD's general manager will have long-term success for LTD and this community?

3. What progress has the general manager made toward LTD's long-term goals or the goals of the community since his arrival?

4. What leadership characteristics have you observed so far?

5. What guidance would you give the general manager about his future leadership of LTD?

6. What other comments do you have?

**LANE TRANSIT DISTRICT GENERAL MANAGER EVALUATION
INTERVIEW QUESTIONS FOR KEY COMMUNITY LEADERS**

(QUESTIONS USED IN 2007)

1. What role does LTD play in our community?
2. How well does LTD's general manager communicate this role?
3. What is the LTD general manager's level of commitment to his role, and how does he demonstrate this commitment?
4. What are the most significant issues facing LTD?
5. How is LTD's general manager addressing these issues?
6. How could the LTD general manager better address these issues?
7. Based on your interactions with the LTD's general manager, what is his long-term vision for LTD?
8. What do you see as the strengths of LTD's general manager?
9. What are some limitations in the performance of LTD's general manager?
10. What have been the most significant achievements of the general manager during the past few years?
11. What suggestion(s) do you have for enhancing the performance of LTD's general manager?
12. What other comments do you have?

**LTD BOARD OF DIRECTORS HUMAN RESOURCES COMMITTEE
QUESTIONS FOR GENERAL MANAGER (GM) EVALUATION
EMPLOYEE INPUT TOOL
October, 2006**

Lane Transit District's Board of Directors conducts an annual review of the performance of the LTD general manager. This year the Board members and the current general manager, Mark Pangborn, are seeking input from all employees in Mark's evaluation. If you wish to participate, please respond to the following questions. It is not necessary that you be able to evaluate all areas covered in this survey. If you don't have the information to answer the question, you may leave it blank.

When complete, seal the survey in the envelope provided and return it to your supervisor or any regular District mail drop. Surveys will be accepted until Monday, October 30.

1. An important role for the GM is to communicate information to all employees about LTD priorities, plans and major activities. How effective is Mark Pangborn in this type of communication to you as an employee?

What does he do well in this regard?

What could he do better?

2. If you have questions or concerns about LTD, how comfortable are you in approaching Mark Pangborn to ask your question or express your concern?

Comments: _____

What could Mark do to be more approachable?

3. How responsive is Mark Pangborn to questions, concerns, or information that you have shared with him?

Comments: _____

4. It is important that the general manager is knowledgeable about public transit and LTD operations. In your opinion, how knowledgeable is Mark Pangborn about public transit and LTD?

Comments: _____

5. How knowledgeable is Mark Pangborn about the work you do at LTD?

Comments: _____

6. One employee might define effective leadership a little differently than the next, but everyone knows good leadership when they see it. In your opinion, how effective has Mark Pangborn been in the last 10 months as the general manager providing leadership to LTD?

Comments: _____

What does Mark Pangborn do well as general manager?

What could Mark Pangborn improve on to be a better general manager?

9. What additional feedback would you like to provide to the LTD Board of Directors regarding the general manager's performance during the past year?

Community Leaders – General Manager Evaluation

<p>Mr. Dan Egan Executive Director Springfield Chamber of Commerce P.O. Box 155 Springfield, OR 97477 (541) 746-1651 dan@springfield-chamber.org</p>	<p>Mr. Gino Grimaldi City Manager City of Springfield 225 Fifth Street Springfield, OR 97477 (541) 726-3700 ggrimaldi@ci.springfield.or.us</p>	<p>Mr. David Hauser President Eugene Chamber of Commerce P.O. Box 1107 Eugene, OR 97440 (541) 484-1314 daveh@eugenechamber.com</p>
<p>Mr. George Kloepfel Executive Director Lane Council of Governments 99 East Broadway, Suite 400 Eugene, OR 97401-3111 (541) 682-4395 gkloepfel@lco.org</p>	<p>Mr. Jon Ruiz City Manager City of Eugene 777 Pearl Street, Room 105 Eugene, OR 97401 (541) 682-5010 jon.r.ruiz@ci.eugene.or.us</p>	<p>Jeff Spartz (Liane Richardson) County Administrator Lane County 125 E. 8th Avenue, 2nd Floor Eugene, OR 97401 (541) 682-4203 jeff.spartz@co.lane.or.us</p>
<p>Mr. Richard Meyers City Manager City of Cottage Grove 400 Main Street Cottage Grove, OR 97424 (541) 942-5501 citymanager@cottagegrove.org</p>	<p>Mr. Sid Leiken, Mayor (Christine Lundberg) City of Springfield 225 Fifth Street Springfield, OR 97477 (541) 726-3700 mayor@ci.springfield.or.us</p>	<p>Ms. Kitty Piercy, Mayor City of Eugene 777 Pearl Street, Room 105 Eugene, OR 97401-2793 (541) 682-5010 kitty.piercy@ci.eugene.or.us</p>
<p>Mr. Dan Giustina G Group LLC P.O. Box 529 Eugene, OR 97440 (541) 485-1500 giustinad@giustina.com</p>	<p>Mr. Steve Korth McKay Investments 2350 Oakmont, Suite 204 Eugene, OR 97401 (541) 485-4711 steve@oakwaycenter.com</p>	<p>Mr. Jeff Miller Pacific Benefit Consultants 450 Country Club Road, Suite 330 Eugene, OR 97401 (541) 484-6624 jmiller@pbcins.com</p>
<p>Mr. Robert D. Bennett Bennett Management Co., LLC 980 Willamette Street, Suite 200 Eugene, OR 97401 (541) 485-6991 Ext. 110 r.bennett@bmc-llc.com</p>	<p>Mr. Gary Williams, Mayor City of Cottage Grove 400 E. Main Street Cottage Grove, OR 97424 (541) 942-5501 mayor@cottagegrove.org</p>	<p>Ms. Judith Volta, Mayor City of Coburg PO Box 8316 Coburg, OR 97408 (541) 682-7850 judith.volta@ci.coburg.or.us</p>
<p>Mr. Dave Sohm Gillespie & Associates 280 East 11th Avenue Eugene, OR 97401 (541) 343-2299</p>	<p>Mr. Phil Farrington Director, Land Planning PeaceHealth Oregon Region 770 East 11th Avenue Eugene, OR 97401 (541) 686-3828 pfarrington@peacehealth.org</p>	<p>Mr. David Braunschweiger Program Manager Special Mobility Services 240 Garfield Eugene, OR 97402 (541) 682-6457 davidb@sms1.org</p>

<p>Ms. Maurine Cate Chief Executive Officer McKenzie-Willamette Medical Center 1460 "G" Street Springfield, OR 97477 (541) 726-4400 maucat@mckweb.com</p>	<p>Mr. Bill Van Vactor Attorney at Law Leahy, Van Vactor, & Cox 223 A Street, Suite D Springfield, OR 97477 (541) 746-9621 bvv@emeraldclaw.com</p>	<p>Mr. Larry Abel, Director Lane County Housing & Community Services 177 Day Island Road Eugene, OR 97401 (541) 682-3755 label@hacsa.usa</p>
<p>Ms. Sheila Thomas Executive Director Lane Independent Living Alliance 99 West 10th, Suite 117 Eugene, OR 97401 (541) 607-7020 lila@lilaoregon.org</p>	<p>Ms. Priscilla Gould United Way of Lane County 3171 Gateway Loop Springfield, OR 97477 (541) 741-6000 pgould@unitedwaylane.org</p>	<p>Mr. Fred Stoffer Executive Director Special Mobility Services 2101 NE Flanders Portland, OR 97232 (503) 232-1440 freds@sms1.org</p>
<p>Mr. Richard Lariviere, President Office of the President University of Oregon 1226 University of Oregon Eugene, OR 97403-1226 (541) 346-3036 pres@uoregon.edu</p>	<p>Ms. Ann Mehlum, CEO Summit Bank 975 Oak Street, Suite 280 Eugene, OR 97401 (541) 684-7526 ann.mehlum@summitbankonline.com</p>	<p>Ms. Kay Metzger Director Senior & Disabled Services 1015 Willamette Street Eugene, OR 97401 (541) 682-4432 kmetzger@lcog.org</p>
<p>Ms. Nancy Golden Superintendent Springfield School District 19 525 Mill Street Springfield, OR 97477 (541) 726-3200 ngolden@sps.lane.edu</p>	<p>Mr. George Russell Superintendent Eugene School District 4J 200 N. Monroe Eugene, OR 97402 (541) 687-3321 russell_g@4J.lane.edu</p>	<p>Ms. Mary Spilde President Lane Community College 4000 E. 30th Avenue Eugene, OR 97405 (541) 463-5200 spildem@lanecc.edu</p>
<p>Mr. Colt Gill Superintendent Bethel School District #52 4640 Barger Dr. Eugene, OR 97402 (541) 689-3280 ext. 2010 cgill@bethel.k12.or.us</p>	<p>Mr. Tony Baker The Register-Guard PO Box 10188 Eugene, OR 97440-2188 (541) 484-1234 tony.baker@registerguard.com</p>	<p>Mr. Jack Roberts Executive Director Lane Metro Partnership P.O. Box 10398 Eugene, OR 97440 (541) 686-2741 jack@lanemetro.com</p>

Key leaders staff recommend contacting.

Positions where names have changed

Q:\Reference\Board Packet FINAL\2009\09\HR Comm 09-08-09\Community Leaders Contact List.docx