

MINUTES OF BUDGET COMMITTEE MEETING

LANE TRANSIT DISTRICT

December 18, 1985

Pursuant to notice given to *The Register-Guard* for publication on December 8, 1985 and distributed to persons on the mailing list of the District, a meeting of the Budget Committee of the Lane Transit District was held at 7:00 p.m. on Wednesday, December 18, 1985 in the Eugene City Hall.

Present:

Board Members

Peter Brandt, Treasurer
Janet Calvert, President
Janice Eberly, Vice President
Gus Pusateri
Rich Smith

Appointed Members

Paul Bonney
Robert O'Donnell, Committee
Chairman, presiding
Rosemary Pryor
Roger Smith

Phyllis Loobey, General Manager
Mark Pangborn, Budget Officer
Jo Sullivan, Recording Secretary

News Media Representatives:
Jim Boyd, The Register-Guard
Jeff Mize, Springfield News

Absent:

Joyce Nichols, Committee
Secretary
Larry Parducci, Secretary

Emerson Hamilton
John Watkinson

PUBLIC COMMENT AND TESTIMONY: After calling the meeting to order and calling roll, Dr. O'Donnell opened the meeting for public comment and testimony. Hearing no comment from the audience, Dr. O'Donnell then closed this portion of the meeting.

APPROVAL OF MINUTES: Mr. Brandt moved that the minutes of the May 21, 1985 Budget Committee meeting be approved as distributed. After seconding by Mr. Bonney, the minutes were unanimously approved.

STAFF REVIEW OF MID-YEAR BUDGET PROJECTIONS: Ms. Loobey explained that mid-year budget review meetings were being held as a result of a request by the Budget Committee three years ago in the spring, when payroll tax revenues were being received faster than anticipated. Staff had found, and hoped the Budget Committee also had, that the mid-year review was a useful tool for them.

Karen Rivenburg, Finance Administrator, stated that the figures in the agenda packet for that evening included four months' actual data and eight months' projections. In general, she said, the projections for that time of the year seemed to be pretty close to what had been anticipated in the spring. Revenues were 1.8 percent higher than anticipated, which was a relatively small variance. For passenger revenues, staff were predicting \$21,000 more than had been budgeted for the year. Ms. Rivenburg stated that the District was experiencing revenue increases of 8.5 percent over the previous year even before the cash fare was increased.

For charter revenues, Ms. Rivenburg explained that staff were predicting \$19,000 less than the previous year, but the District would also not have the costs associated with charters.

Staff predicted that the District would receive \$56,000 more in payroll tax revenues than projected. For each of the next two quarters, staff anticipated a 3 percent increase, which is what was projected in the budget.

A 15 percent cut in Urban Mass Transportation Administration (UMTA) assistance had been budgeted; however, only a 10 percent cut had been made, so LTD would be receiving \$89,000 more than budgeted in this category.

Ms. Rivenburg stated that \$7.3 million in direct expenditures had been budgeted, but staff currently expected \$7.2 million, which was a 2.6 percent difference. She explained that an efficient fall run cut and the use of part-time employees had contributed to some of the savings, as well as a savings in personal services due to medical leaves of absence. The variance in materials and supplies was largely due to savings in Maintenance on fuel costs and parts.

At the present time, said Ms. Rivenburg, staff were not recommending any action on the variances, because the percentages were so small.

In discussing the Capital Projects Fund, Ms. Rivenburg explained that a change in the time line for the new facility was resulting in less money being spent on the facility during the present fiscal year.

Staff were projecting a positive variance of \$87,000 in the Risk Management Fund. Ms. Rivenburg stated that the insurance market was, at that time, "chaotic," and the District had to change types and limits on some of its insurance. She said that staff would have a better understanding of the market and more experience with insurance conditions in the spring.

Ms. Rivenburg summarized by stating that revenues were close to what had been budgeted; expenditures showed a positive variance; and staff believed the District was on track and no changes needed to be made before the following spring.

Mr. Pangborn added that lottery revenues from the State of Oregon were lower than anticipated. Staff had anticipated receiving \$600,000 in the next two years, but it appeared that those revenues would be down at least 33 percent, and the District may receive \$400,000 or less.

Mr. Brandt asked a question about charter revenues, to which Ms. Loobey replied that staff did not expect any major charters until after July, 1986. Ms. Rivenburg explained that charter rates are set to cover the District's costs but not to make a large profit, so the absence of large charters does not make a difference in the total budget.

ADJOURNMENT: With no further discussion, Ms. Pryor moved that the meeting be adjourned. After seconding, the meeting was unanimously adjourned at 7:20 p.m.



Committee Secretary

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