

MINUTES OF BUDGET COMMITTEE MEETING

LANE TRANSIT DISTRICT

Wednesday, April 22, 1998

Pursuant to notice given to *The Register-Guard* for publication on April 5, and April 16, 1998, and distributed to persons on the mailing list of the District, a meeting of the Budget Committee of the Lane Transit District (LTD) was held on Wednesday, April 22, 1998, at 7:00 p.m., in the LTD Board Room at 3500 East 17th Avenue, Eugene.

Present:

Board Members

Kirk Bailey
Rob Bennett
Pat Hocken
Dave Kleger
Dean Kortge
Mary Murphy

Appointed Members

Russ Brink
Rick Crinklaw
Gerry Gaydos
Mary Gilland
Gino Grimaldi
Virginia Lauritsen
George Rode

Staff

Phyllis Loobey, General Manager
Mark Pangborn Assistant General Manager
Diane Hellekson, Budget Officer
Susan Hekimoglu, Recording Secretary

Absent: Hillary Wylie, LTD Board member

CALL TO ORDER: Board President Pat Hocken called the meeting to order at 7:04 p.m. Mr. Brink was not yet present at this meeting.

COMMITTEE AND STAFF INTRODUCTIONS: Committee members and staff introduced themselves. Ms. Hocken noted that Mr. Grimaldi and Mr. Rode were newly appointed committee members.

ELECTION OF OFFICERS: Ms. Hocken asked for nominations for Committee Chair and Committee Secretary. Mr. Kortge nominated Mr. Gaydos to be re-elected as Committee Chair. Ms. Gilland seconded the motion. Mr. Kortge then nominated Mr. Kleger to serve as Committee Secretary. Mr. Crinklaw seconded the motion. There were no additional nominations, and the Committee Chair and Committee Secretary were elected by unanimous vote. Mr. Gaydos then chaired the remainder of the meeting.

Mr. Brink arrived at the meeting at 7:15 p.m.

MOTION

VOTE

PUBLIC COMMENT: Mr. Gaydos opened the meeting for comment from members of the audience. There was no one who wished to address the committee.

APPROVAL OF MINUTES (April 23, 1997, and April 24, 1997): Mr. Kleger noted a correction to the minutes of the April 24, 1997, meeting, on page 3. He had stated that he had experienced an increasing number of lift malfunctions in the past few months, rather than an increasing number of lift functions. There being no further corrections, Ms. Hocken moved approval of the minutes of the April 23, 1997, and April 24, 1997, Budget Committee meetings. Mr. Crinklaw seconded the motion, which passed by unanimous vote.

MOTION
VOTE

PAST, PRESENT, AND FUTURE VISIONS: Ms. Loobey provided a brief history of the District, and the vision for LTD's future.

PRESENTATION FORMAT AND LOGISTICS: Ms. Hellekson provided an overview of the agenda and stated that the recommendation from the Budget Committee would be presented to the LTD Board of Directors during its June 1998 meeting for approval and adoption.

BUDGET PRESENTATION: Broad Overview: Mr. Pangborn provided an overview of the entire budget for Fiscal Year 1998-1999. Ms. Gilland stated that she thought the number of administrative staff members seemed inadequate for the amount of work to be done. Mr. Grimaldi asked if LTD had a contingency plan in the event that state or federal support was reduced or withdrawn. Mr. Pangborn responded that LTD did have a contingency plan. Mr. Kortge asked if the BRT staffing budget was for paid or contracted staff. Mr. Pangborn replied that the bulk of the budget request was for consulting services.

Financial Summary: Ms. Hellekson presented the overall financial summary. Mr. Grimaldi asked if there were long-range projections. Ms. Hellekson replied the Long-Range Financial Plan that the Board previously had adopted would be discussed later during the budget meetings. Mr. Grimaldi then asked about the funds that were placed in reserves. He thought that 20 percent was a high amount. Ms. Hellekson replied that the percentage of reserves was based on operating expenses and included LTD's self-insurance funds. She stated that 20 percent reserves were favorably looked upon and it was good that LTD had the discipline to set aside that level of reserves.

Operating Fund Department Budgets: Each department manager presented an overview of the proposed budget for his or her respective department.

1. General Administration. Mr. Pangborn stated that the primary proposed change in this budget was the addition of a full-time intergovernmental relations position, a half-time secretarial position, and expenses related to those positions.

2. Public Affairs. Public Affairs Manager Ed Bergeron stated that the primary proposed change in this budget was an increase in general business expenses and the addition of one FTE staff member who was transferring from

another department. Mr. Kortge asked if LTD planned to establish residence in Salem during the 1999 Legislative Session. Mr. Bergeron said that it was not being planned at this time. Mr. Crinklaw asked about the reduction in professional services, and Mr. Bergeron replied that some of those expenses were being shifted to the bus rapid transit (BRT) grant.

3. Finance. Ms. Hellekson presented an overview of the proposed budget for the Finance Department. The proposed budget included funding for a full-time accounting technician, who would continue to address payroll tax compliance and also would assist the purchasing administrator with routine purchases.

4. Information Services. Information Services Manager Joe Janda presented the proposed budget for this department. Mr. Janda explained that the proposed budget increased materials and services by 28.3 percent and included the addition of one full-time systems analyst. Ms. Hocken asked if staff were anticipating any year 2000 problems. Mr. Janda replied that since LTD used a local area network (LAN), internal problems were not expected. However, staff were working with LTD vendors, such as the bank, to ensure that those businesses would be in compliance.

5. Human Resources. Human Resources Manager Ed Rutledge presented the proposed budget for this department. He stated that there would be no change in personnel services and that the Risk Management budget would decrease due to a projected one-year decrease in workers' compensation insurance rates.

6. Planning and Development. Planning and Development (P&D) Manager Stefano Viggiano stated that much of the costs for staffing the P&D department were funded through capital grants for the BRT and Springfield Station projects. As a result, staff costs from the general fund had decreased. In addition, most materials and services were charged to the BRT grant, resulting in a decrease in the proposed budget.

7. Service Planning and Marketing. Service Planning and Marketing (SP&M) Manager Andy Vobora presented the proposed budget for this department. He stated that the Customer Service budget had been incorporated into the SP&M budget. In addition, a planner had been hired to provide supplementary staffing for projects that had been transferred from the P&D Department. Expenses related to Commuter Solutions also were incorporated into the SP&M budget; however, offsetting grant funds from the State Transportation Improvement Program (STIP) would be received to fund those regional programs.

Mr. Kleger asked if the proposed budget included the possible addition of Cottage Grove and Creswell into the LTD service district. Mr. Vobora responded that the budget would be adjusted if needed, beginning in January 1999. Projected tax revenues were expected to be higher than the cost of service to Cottage Grove and Creswell.

ADJOURNMENT: Mr. Gaydos adjourned the meeting to 7:00 p.m. the following evening, April 23, 1999, in the LTD Board Room.

 4-29-99

Budget Committee Secretary