MINUTES OF BUDGET COMMITTEE MEETING
LANE TRANSIT DISTRICT
ADJOURNED MEETING

April 11, 1990

Pursuant to notice given to *The Register-Guard* for publication on March 29, 1990 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 7:30 p.m. on Wednesday, April 11, 1990, in the LTD Board Room at 3500 E. 17th Avenue, Eugene.

Present:

Board Members	Appointed Members
H. Thomas Andersen, Secretary	Mary Gilland
Peter Brandt, Treasurer	John Hire
Janet Calvert, President	John Humbert
Tammy Fitch	Robert O'Donnell
Herbert Herzberg	Rosemary Pryor, Committee Chairman, presiding
Thomas Montgomery	Roger Smith, Committee Secretary
Keith Parks	

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

Absent:

Duane Faulhaber

CALL TO ORDER: Ms. Pryor called the meeting to order at 7:35 p.m. and, noting that there were several new members on the Committee, asked the members to introduce themselves.

PUBLIC COMMENT: Ms. Pryor opened the meeting for public comment. There was none.

MOTION **APPROVAL OF MINUTES**: Mr. Andersen moved that the minutes of the May 3, 1989, Budget Committee meeting be approved as written. Ms. Calvert seconded
VOTE the motion, and the minutes were unanimously approved.

MOTION **ELECTION OF OFFICERS**: Mr. Andersen nominated the previous slate of officers (Rosemary Pryor as Chair,and Roger Smith as Secretary). Mr. Herzberg
VOTE seconded, and the motion carried by unanimous vote.

BUDGET PROCESS: Mr. Pangborn told the Committee that in the last three or four years, it had taken two meetings to go through the budget process and approve the budget for adoption by the Board of Directors. A second meeting had been scheduled for April 25, 1990, and a third meeting could be scheduled, if necessary. He explained that the Budget Committee's role is to provide public review of the District's budget, and to either accept it as presented or amend it before forwarding it to the Board of Directors for approval on June 20. The Board is allowed by law to make changes to the budget approved by the Budget Committee within certain constraints; specifically, within any fund, the budget can be changed up to 10 percent. The operational fund is about $11 million, so theoretically the Board could change the budget by up to $1.1 million. He said this had not occurred during his eight years with the District, although it is allowed by law.

Mr. Pangborn then explained the sections of the packet and how they would be used during the discussions.

BUDGET MESSAGE: Mr. Pangborn said that FY 89-90 had been a solid one for the District, with a 2.5 percent increase in ridership on top of last year's 15 percent increase. The District was about ready to sign a contract for 25 new buses; federal, state, and Board approval has already been given. All service increases for FY 90-91 were predicated on not having those buses for service increases until September 1991. Additionally, the day after the budget meeting the District would begin its move to the new facility.

FISCAL YEAR 1989-90 SUPPLEMENTAL BUDGET: Brentt Ramharter, Finance Administrator, reviewed the major variances in revenues and expenses for FY 89-90. Passenger fares were slightly below the amount projected for the year, possibly due to an over-projection for growth in ridership and a decline in University of Oregon (UO) enrollment from previous levels. Miscellaneous revenues included a one-time receipt of revenue from a former health insurance carrier, which had held back some funds for claims coverage, and later refunded the excess to the District. Interest income was higher than projected because the District's expenditure of capital funds for the construction of the new facility was delayed in the current year, due to the delay in construction.

Mr. Ramharter said that payroll tax receipts could be slightly lower than originally projected, although if collections continued to grow at the rate they did during the third quarter, the District could receive more than was budgeted. State In-lieu-of Payroll taxes were not as high as projected, so staff were projecting that the District would receive slightly less than budgeted. An additional one-cent cigarette tax became effective on January 1, 1990, resulting in higher projected revenues from the State Special Transportation Fund. This money is passed on to the Lane Council of Governments (L-COG) for special transportation services. Also, the budgeted UMTA Section 18 funds were not received because the service for which that money was allocated was discontinued.

In discussing expenditures for FY 89-90, Mr. Ramharter said that the largest savings was in Materials & Supplies, because bus fuel prices were lower than budgeted for the year. Contractual services, however, would be over budget, because of the additional cigarette tax funds which would be received and then reported as an expenditure when the money was transferred to L-COG.

Mr. Ramharter said that staff did not expect to have to expend any of the contingency fund for the year, and expected a total savings for the year of about $500,000. Mr. Andersen asked about the year-end balance of $500,000 on page 2, versus the $1.28 million shown later. Mr. Ramharter explained that the District had budgeted money to be transferred to the Capital Projects Fund for future years, which, when added to the $500,000, brought the total up to approximately $1.3 million.

Ms. Fitch asked about Risk Management. Mr. Ramharter explained that the District funds its insurance needs in a special fund to a level of about $900,000. In FY 89-90, LTD would expend $400,000 to $500,000, and each year the District counts on not having to expend up to the limit. Mr. Pangborn added that Gary Deverell, Safety & Risk Administrator, would be discussing that budget in more detail later.

FISCAL YEAR 1990-91 PROPOSED BUDGET - REVIEW OF LINE-ITEM DIVISION BUDGETS:

General Administration: Mr. Pangborn discussed the General Fund resources, as listed on page 1 of the Line-item Budget. He said that charter revenues would be lower next fiscal year because the World Veterans' Championships were a one-time event. Revenues from advertising on the sides of the buses included an inflationary increase, and interest earnings were projected to be lower, due to the completion of the new facility and the expenditure of those capital funds.

The proposed budget was based on continuing the employer-paid payroll tax at the current .0049 rate, with a 5 percent increase in the tax base due to employment growth and increased wages. Mr. Pangborn stated that in 1988-89, payroll tax revenues increased 9.8 percent, and they had also increased 10 percent to date in the current fiscal year. However, the strong growth was not expected to continue. The Governor's economic advisors projected, even before the issues of the spotted owl and timber sales arose, that the rate of growth would flatten out. Staff believe a 5 percent growth rate to be conservative. Mr. Andersen asked about the projection for FY 89-90. Mr. Pangborn replied that last spring, a strong fourth quarter for payroll tax receipts had been projected, but that did not materialize. Therefore, when LTD had projected an 8 percent growth rate for FY 89-90, it was a projection based on a higher tax base at the beginning of the fiscal year than actually occurred.

Mr. Pangborn said that during the third quarter of the current fiscal year, LTD had received the single largest increase in payroll tax revenues in at least eight years, probably due to the Christmas season and the new employees hired by Shopko and Costco and other new area stores. He added that staff felt comfortable projecting a 5 percent increase for FY 90-91, and that the District had always taken a fairly conservative approach to projecting revenues.

In discussing federal Section 9 funds, Mr. Pangborn said that the District would be allowed to use a little more for the operating budget than in the past, but that capital funding would decrease, for a lower total allocation of about 10 percent. LTD had received $1.2 million in Section 9 funds in FY 89-90. All of the federal formula funds would now go toward operations. Ms. Pryor recalled that last year staff had been talking about the reduction in federal funding and weaning the District from receiving federal funding for operations. Mr. Pangborn said that was a dilemma; that if he could, he would use all federal funding for capital projects, because the District would only have to follow state law, as opposed to having to expend all operational money in accordance with federal law. However, he said, it is difficult to take $1 million out of the operating budget and require local funds to cover that amount.

Mr. Hire asked how much money the District would save each year if it did not receive federal funds. Mr. Pangborn said that no staff positions would be eliminated, because work was required in various places, such as purchasing and grant writing. He thought eliminating federal reporting requirements might result in savings of $50,000 per year, in working with forms, contracts, Disadvantaged Business Enterprises (DBE) requirements, etc. However, if all federal money were to be used for capital, the federal government would still require some reporting. Mr. Pangborn said that a couple of transit districts in Washington have put all Section 9 money into capital, because they have a larger source of local funds to cover their operational budget.

Mr. Pangborn said that staff anticipated that the State In-lieu-of Payroll tax would increase about 6 percent next year, and the State Transportation Fund pass-through money would increase because of the additional one-cent cigarette tax initiated this year. Total resources projected for FY 90-91 were $11,345,200.

Mr. Andersen asked if staff assumed that a 2 percent increase in service automatically resulted in a 2 percent increase in revenues. Mr. Pangborn said that was what staff targeted for, but was not what actually happened. Mr. Andersen then asked if the 4.3 percent increase really included the 2 percent in service out of the 4.3 percent. Mr. Pangborn said that, in reality, if the District is already offering the most effective service that it can, and everyone who wants the service is riding, then the District might come close to hitting the target on the 2 percent. He said it usually takes 18 months to 2 years for service to mature, and sometimes service which is expected to be productive never does mature as anticipated.

Mr. Pangborn then discussed the General Fund Expenditure Summary by Object, found on page 3 of the Line-item Budget. He said that inflationary increases had been included in the budget. Even though the new facility was a much more modern and energy-efficient facility than the old one, it was also three times larger, with increased heating and maintenance requirements. The reason for the large increase in size, he said, was that the federal government allowed construction of a 20-year facility, although staff actually expect to be in this facility even longer than that. The increase of nearly 10 percent in EWEB's rates had also been budgeted.

The 2 percent service increase, added to past increases, resulted in a need for three additional bus operators, two mechanics, and one part-time

Customer Service Representative. Staff were also proposing that the graphic artist position be increased from .8 FTE to 1.0 FTE, for a total personal services increase of $430,000. An increase of $384,000 was proposed for the materials and supplies budget, with $270,000 of that increase proposed for fuels, utilities and maintenance, and parts. Contractual services was budgeted at an increase of $40,000, for a variety of contractual services.

Mr. Pangborn said that the amount staff expected to transfer to capital projects in FY 89-90, including the year-end balance, was $1,282,564. For FY 90-91, staff were proposing a transfer of only $409,397.

The total expenditures were equal to revenues, or $11,345,200.

Mr. Hire asked if the money being put into the Capital Projects Fund was for buses. Mr. Pangborn explained that a bus purchase was projected for 1993-94, but a new downtown Eugene transfer station is programmed for 1992-93. He added that it has been the District's operational policy to save as much as possible in this fund each year, in order to maintain LTD's capital needs.

Mr. Pangborn then discussed the General Administration budget on page 5 of the Line-item Budget. The priorities for General Administration for FY 90-91 were to direct the planning process for the new Eugene downtown transit station; to evaluate the concept of a management audit, to see if it would be appropriate to conduct such an audit in future years; to improve the interagency coordination between LTD and local public agencies; and to increase Board participation in strategic planning for LTD.

Changes in the General Administration budget included increasing the funding for the reception position from half a year to a full year; and increases in materials and supplies for increased postage costs, increased costs for copier supplies, and the addition of a courier service to pick up and deliver the District's mail to the Gateway post office each working day. Legal fees were also scheduled to increase; although District Counsel has always charged the District very low rates, more legal advice is needed regarding interagency efforts, labor issues, etc. Mr. Andersen asked if attorney fees also increased as a result in delay of the new facility construction. Mr. Pangborn replied that the contractor was charged for those expenses, and the money had been withheld from the payment to Marion Construction.

<u>Vehicle Maintenance</u>: Ron Berkshire, Maintenance Administrator, discussed the Vehicle Maintenance budget on page 25 of the Line-item Budget. The priorities for this division for FY 90-91 were to meet the demands of the increased fleet size, with staffing, parts, and the preparation of the buses; to maintain the reliability of an aging fleet, since the District's newest buses are aging and need more maintenance attention; and to improve the operating efficiency of the division, especially in light of different requirements in how things are done in the new facility.

Changes in the Vehicle Maintenance budget included a request for two additional journeyman mechanics, due to the addition of new buses and added wheelchair lifts, which are a high-maintenance item; the longevity of employees, which means they earn maximum vacation time, requiring almost two people per year to cover during their absences; the need to prepare the new buses for service, including added training for new systems on the buses; increased maintenance needs due to service increases; and other District-wide training, which takes time away from the mechanics' time on the floor. Another change was found in materials and supplies. For the current fiscal year, fuels and lubricants were projected at 80 cents per gallon, but were actually averaging 68 cents per gallon. However, that amount is predicted to increase in FY 90-91. The suppliers were predicting a 6 percent increase in costs, and additional fuel would be needed to meet the 2 percent increase in service, so the cost for next year was projected to be 82 cents per gallon. Additionally, the tanks at the new facility had been filled this year, but not all that fuel would be used during the current year.

Mr. Berkshire stated that the District's transition to radial tires was expected to double and even triple the tire mileage. This transition had been 50 percent implemented this year, and the savings were already apparent. The new bid for recapped tires was also lower than the District had been paying.

An additional increase in costs was due to the need to stock parts for the new buses expected next year. Mr. Berkshire said that LTD's parts inventory budget for those parts was conservative; that the District would be stocking fewer parts than other transit districts. Utilities were budgeted higher due to the larger facility and EWEB's 10 percent rate increase. Contract maintenance would also be higher, due to high maintenance costs associated with speed call radios installed on the buses this year, which allow the dispatcher to contact each bus separately rather than disturbing the entire fleet.

Ms. Fitch asked if the 6 percent increase in fuel costs was an increase over the budgeted amount or the projected amount. Mr. Berkshire said it was a balance of the two; staff had reviewed what was budgeted and actually expended, and made an educated guess about the increase. Ms. Fitch said that the facility is three times larger but more cost-efficient than the old one, but staff were projecting to spend 3.5 times what had been spent in the current year for utilities. Mr. Berkshire said that estimate had been based on the engineer's estimate for consumption and the experience of other agencies with similar buildings, and was really an educated guess.

Ms. Pryor asked about the severance pay plan. Mr. Pangborn explained that it is included as part of each division budget, and is a benefit the District implemented three or four years ago. Employees accrue severance pay based on length of employment; after working at LTD for 20 years, an employee would receive the equivalent of a full year's pay. The longer an employee works for the District, the higher the accrual rate is.

Mr. Andersen asked why Settlements Received was higher than projected. Mr. Berkshire said the settlements were money received from bus accidents in which other people were at fault.

Mr. Smith commented on the number of employees who had worked for the Maintenance division for so many years, and wondered about LTD's ability to replace them as they retire. Mr. Berkshire said that one employee was planning to retire next year, and another was not sure about his plans, and that this was part of his reason for wanting to have more employees to train at this time. Mr. Smith asked if it was difficult to find qualified people. Mr. Berkshire said it had not been difficult yet, but the market was starting to tighten up, and was projected to make hiring difficult in the future.

Finance Division: Mr. Ramharter discussed the priorities for the Finance division for FY 90-91, which were to provide accurate information to the Board, staff, and outside parties; to comply with federal and state accounting and purchasing requirements, including difficult and highly technical contract and purchasing requirements; to assure an independent audit with no significant exceptions; and to offer an effective centralized purchasing service to meet the needs of other divisions.

Changes in the Finance budget included an increase of $2,000 for temporary unclassified part-time help to handle an increased workload in the office; a slight decrease in the printing budget due to a delay in the preparation and printing of bidders' applications; $2,000 more in training and travel to send the new purchasing agent to at least one additional week-long seminar; and a decrease in consulting fees, due to the Section 89 testing being repealed. An additional $2,000 was being requested for an upgrade in financial reporting software. Also, the District's independent audit fees were expected to increase.

Personnel Division: Bill Nevell, Personnel Administrator, explained the priorities for the Personnel division for next fiscal year, including the provision of a training program consistent with the District's goals and objectives, to evaluate training and skills needs of the employees; to implement a drug and alcohol policy consistent with state and federal laws, a process which was begun last year; to provide direction and support for the District's affirmative action program; and to coordinate and participate in the implementation of a new labor contract. Another goal was to review the staff compensation plan, which was last studied comprehensively in 1986. Changes in the compensation plan since that time had been based on fairly limited data, so Mr. Nevell planned a more complete study of comparable markets.

Mr. Andersen asked if the drug and alcohol training was only for bus operators. Mr. Nevell said that it was provided for all employees. Due to new UMTA regulations last year, LTD had to implement a new policy which was far more stringent that it had in the past. The Federal Appeals Court then ruled that UMTA did not have the authority to require random drug testing, but UMTA is expected to return to Congress to gain that authority.

Budget changes for Personnel included more extensive employee training as a result of the strategic planning process. Mr. Nevell said that the District had just completed a three-hour training session for all employees on drug and alcohol awareness, with another session to be offered next year, and a separate session for supervisors. Cultural diversity training has also been offered, in response to fairly rapid changes in the population of the community, to help employees work better with co-workers and customers. Training would also be targeted toward division administrators, based on their needs. The affirmative action program would also be enhanced, with the development of community contacts, more aggressive recruiting, and a consultant to help the District meet its goals.

Another budget change was found in Contractual Services, due to increases in pre-employment testing for fitness for duty and drug and alcohol exams. Employee relations costs were expected to decrease next year due to no arbitration being necessary as a result of the cancellation of the Junction City service.

Dr. O'Donnell asked about the historical budget, which showed a decrease in Cascade Employers Association dues from $10,800 to $1,000. Mr. Nevell said the correct amount for dues was $1,000. The other $9,800 should have been listed as costs associated with the anticipated Junction City arbitration.

Mr. Hire asked if LTD bus operators would have to undergo the new Commercial Drivers License (CDL) testing, and if the District anticipated any problems in the drivers passing the tests. Mr. Nevell said that driver training for the tests was being held, and that Gary Deverell would discuss the tests further.

Ms. Pryor asked why the Personnel budget went from $1,900 to $300 in materials and supplies. Mr. Nevell said that recruitment announcements were previously budgeted in materials and supplies, but had been transferred to employee recruitment.

<u>Safety and Training</u>: Gary Deverell, Safety & Risk Administrator, listed the Safety & Training priorities for next fiscal year, including the development of employee training pertaining to customer satisfaction. He explained that increased productivity and ridership had meant the need for employees to handle increased daily stress. Another priority was to continue to offer programs to improve the safety, attendance, and service by all employees. This includes attendance incentives, the awards banquet and the awards themselves, the wellness program, and the Employee of the Month and Employee of the Year program. Ms. Calvert asked why Employee of the Month and Year was not included in Personnel rather than Safety & Training. Tim Dallas, Director of Administrative Services, said that at the time the program was instituted, Mr. Deverell had wanted to do it, and the personnel workload at that time was too busy.

Budget changes for Safety & Training included an increase in the Employee of the Year award from $250 to $1,000, and Employee of the Month award from $25 to $100, which actually changed on January 1, 1990. Contractual services included consultant fees to develop and offer a stress management course to all employees, and an accessible services sensitivity program for bus operators.

Risk Management: Mr. Deverell then discussed the Risk Management budget. Priorities for Risk Management were to maintain or decrease premium costs while maintaining adequate coverage for the District; and to manage and control workers' compensation and property and liability claims.

Changes to the budget included increases in general liability insurance and property insurance; moving the public official blanket bond from Miscellaneous Insurance to Package Policy; purchase of underground storage tank insurance; an increase in boiler and machinery insurance; the elimination of computer insurance due to new software storage and backup procedures; the elimination of builders all-risk insurance due to the completion of the new facility; and the purchase of fiduciary and dishonesty bonds for pension, severance pay, and deferred compensation plans.

Mr. Deverell then answered Mr. Hire's previous question about the Commercial Drivers License. He explained that three tests would be required, regardless of driving records: general knowledge, passengers, and air brakes. All who drive commercial vehicles on public roads will be required to be tested by April 1992. LTD has provided self-study materials for its affected employees, who may also be required to take a driving test, based on their driving records.

Marketing Division: Ed Bergeron, Marketing Administrator, passed around a system map and Rider's Digest to help the Committee visualize some of the changes being requested in the Marketing budget. He explained that Marketing entails 5 percent of the District's budget, but plays a key role in the public being able to understand the service and the District's role in the community. The division's priorities were to strengthen LTD's image and visibility in the community; to improve communications, including the system map, the Rider's Digest, bus stop information, and transit station information displays; to expand communications within LTD; and to serve an expanding ridership. Mr. Bergeron added that LTD is now number one in terms of ridership in the nation, for a system of LTD's size, so there is more demand from the community for information.

In discussing the budget changes for Marketing, Mr. Bergeron stated that 40 percent of LTD's riders have been using the system for less than one year, so there is a constant turnover which creates the need to help the new riders understand the system. In Personal services, it was proposed that the graphic artist be increased from .8 FTE to 1.0 FTE, to be able to do more things more effectively in-house, at a lower cost and with faster turn-around time.

Materials and Supplies included an increase in printing, based on improvements which researchers had told LTD would be valuable. One change would be to increase the quantity of materials, to ensure enough Rider's Digests and system maps to serve the expanding ridership and community. The quality would also be improved, since riders are making extensive use of the Rider's Digest and want a stronger cover stock to make it more durable and less likely to need replacement. The map is currently printed on one side only, and has no information regarding out-of-town service. Ms. Pryor asked how many Rider's Digests and system maps were distributed in the current year.

Mr. Bergeron said that 110,000 maps were printed this year; 90,000 were mailed to homes, and the rest were distributed through the CSC and other means. Ms. Pryor then asked if they were mailed on request or from a mailing list once a year. Mr. Bergeron said they were mailed from a mailing list once a year, and that the goal is to mail them to every household in the service district. Similar to LCC and the Parks and Recreation mailings, he said, the public has a right to have information about LTD. This year, the District could not afford to mail to every household, so had to be selective about where they were mailed. Ms. Pryor asked why LTD doesn't sell advertising on its informational materials. Mr. Bergeron said the District tried that once, and spent a lot of time seeking advertisers. Staff believe, however, that they should focus on maximizing the quality of the information.

One change in Marketing's Miscellaneous Materials and Supplies was due to an increase in mailing costs projected for next year. Also, staff would like to expand awareness of the "Fast Tracks" piece located on page 4 of the Rider's Digest, which gives riders greater success in planning trips accurately. This would be especially helpful because ridership had increased and the bus operators didn't have as much time as they used to for answering questions. In addition to the Digest Fast Tracks, Marketing would like to establish a Fast Tracks slide chart or wheel as a give-away program, to help people understand how the system works without having to make calls to the CSC or asking the bus operators. Mr. Bergeron said that other transit districts using these materials are reporting great success with them.

Advertising agency fees were projected to decrease by $37,000, because this year the District completed production of new advertising, which should last for a few years. Consulting fees are used primarily for public relations issues; since next year should be less complex for the District, Mr. Bergeron will be relying more on staff expertise, and the consulting fees line-item will be eliminated from the budget in FY 90-91. In Miscellaneous Services, there will be no change in the total, but installation and repair costs for bus stop information displays were expected to increase, in order to increase the number of displays at bus stops. Ms. Calvert asked what number of bus stops had timetables. Mr. Bergeron said that about 250 out of 1,300 had displays, and that staff focused on providing displays at the inbound stops, where people wait for the bus, rather than destination-oriented stops, where they usually just get off the bus and go to their final destinations. He said that Marketing is about one-fourth of the way finished installing stops, and would like to add 200 additional units in FY 90-91. The capital money is available, but the computer program needs to be changed somewhat.

Mr. Andersen asked if people really used the wheel or if they were a novelty item. Mr. Bergeron said that both things happened. He said LTD had shied away from give-aways in the past, but he liked this one because it was not only fun, but also related to using the bus. Mr. Hire asked if it was Board policy to mail this type of information to every household. Mr. Bergeron replied that it was only their policy to the extent that they review the action plans each year, and that it had been done for the last eight or nine years. Mr. Hire said he thought the fast tracks included in the Rider's Digest were more useful than the wheel. He also thought that one sheet explaining what LTD is and how it works might be more useful to non-riders than some of the other informational materials, and certainly would be a lot less expensive. Mr. Bergeron said that was a good question and difficult to track. However, in the last decade, the percent of people in the service area who have ridden the bus locally had grown from about 30 percent to 60 percent. The goal of giving information to households was so that when their cars break down or the weather gets bad, or another need arises, they will be able to figure out how to ride the bus themselves, because they have all the information at their disposal.

Ms. Pryor wondered about the District's plans to market a new program in which the City of Eugene will use parking revenues to encourage people to ride the bus. Mr. Bergeron said that the City had asked for Rider's Digests and system maps for every employee, and those were being distributed. During the next couple of months, Marketing staff would be meeting with City employees to talk to them about the service and help them with trip planning. He added that Marketing would be taking their cues from what the City employees wanted them to do. Ms. Pryor asked if other employers were joining the prepaid group pass programs. Mr. Bergeron said that Sacred Heart Hospital had made inquiries but there was not yet a definite proposal for a program, and that the UO, Northwest Christian College, which is located next to the UO, and the City of Eugene had the only current programs. However, he said, staff expected that more businesses would be contacting the District about participation in the program. Staff and the Board would be working out the policy issues associated with group pass programs, so the District and the community could move ahead in a rational fashion.

Mr. Montgomery said that the Joy Ride was a big success, but the budget was not increased, and wondered what the District was expecting to do next year. Mr. Bergeron said that staff would be trying to make do with current materials and production.

<u>Customer Service Center</u>: Andy Vobora, Customer Service Administrator, explained that the Customer Service Center (CSC) is centrally located in downtown Eugene and provides route and schedule information in person and on the telephone, with an average of 375 calls a day and a total of 125,000 calls last year. The CSC also handles sales of prepaid fares such as passes and tokens, and handles the Take Part car pool program, for car pool and van pool matching services. Priorities for the CSC for next year are to maintain the low lost call rate; reduce the waiting time at the CSC sales counter, by staffing peak periods with two staff members; expand the school training program; and expand the Take Part data base, which the City had let dwindle over the last number of years, so that it had become too small to be able to match people who called in. The CSC staff hoped to expand the data base by making employer contacts and using printed materials developed by the City.

Mr. Andersen asked how calls that did not reach the CSC were monitored. Mr. Vobora replied that calls that do reach the CSC and are put on hold are monitored with a computer system, but that the CSC did not currently have the technology to track calls that couldn't get through at all. He added that the CSC has one of the lowest lost call rates in the nation, and that a low lost call rate is important because people who have to wait too long become frustrated if they can't get the information they need. The CSC's lost call rate last year was 3.8 percent, including an extended cold period in February, when 2,700 calls were answered in one day.

Mr. Vobora explained the school field trip program, in which children take their field trips on LTD's buses, using the regular routes, rather than having to pay charter rates for school buses. He said that 350 of these trips were taken last year, and are considered important because LTD hopes to help school children develop an alternative mode mind-set.

Budget changes for the CSC included increasing the staffing by adding one additional part-time position. Materials and Supplies/printing would increase in order to redesign the District's passes. Currently, LTD uses a myriad of passes which the drivers have to recognize and verify. Standardizing the passes would help alleviate the driver time spent on this task, and counter-feit-proof detailing would also be added. Some printing costs would also be incurred with the expanded school training program.

Mr. Hire asked about the CSC staffing levels. Mr. Vobora said there were six full-time employees and two part-time, who cover the telephones and counters seven days a week, 12.5 hours per day on weekdays and eight hours on weekends.

Ms. Calvert asked about the elimination of $2,700 in incentive pay next year. Mr. Vobora said the incentive pay had been targeted at lowering the lost call rate, and that rather than standardizing the program, he wanted to try not having it and seeing the effect on the staff and the lost call rate. Because he had a limited amount of money available, he preferred to increase the staffing level and enable the CSC to better cover vacations, sick days, training time, etc. He had incurred a lot of overtime costs this year, which he hoped to avoid by the additional staffing.

Mr. Brandt asked how long the lease was on the CSC. Mr. Pangborn replied that there was an initial five-year lease which had been renewed about 18 months ago, so there were about 3-1/2 years left on the second lease.

ADJOURNMENT: Since it was almost 10:00 p.m., the Committee decided to adjourn rather than attempt to finish the budget presentations. Mr. Montgomery moved, seconded by Ms. Pryor, that the meeting be adjourned to Wednesday, April 25, 1990, at 7:30 p.m. in the LTD Board Room. With no further discussion, the meeting was adjourned at 9:55 p.m.

____
Budget Committee Secretary