

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

March 13, 1984

7:30 p.m.

Municipal Courtroom #1
Eugene City Hall

A G E N D A

I. CALL TO ORDER

II. ROLL CALL

Nelson_____ Parducci_____ Randall_____ Brandt_____
Calvert_____ Eberly_____

III. INTRODUCTORY REMARKS BY BOARD PRESIDENT

IV. AUDIENCE PARTICIPATION

V. ITEMS FOR ACTION AT THIS MEETING

A. Approval of Minutes

B. Board Salary Subcommittee Recommendation

C. First Reading, Ordinance No. 26, "An Ordinance Making the
Board of Directors of the Lane County Mass Transit
District (LTD) the Local Contract Review Board for LTD"

D. Adoption of Supplemental Budget

1. Public Hearing

2. Board Deliberation

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VI. ITEMS FOR INFORMATION AT THIS MEETING

A. Current Activities

1. Transportation Division--Informational Presentation
2. Winter Route Segment Analysis Summary

B. Monthly Reporting

-- Financial

VII. ITEMS FOR ACTION AT A FUTURE MEETING

- A. Second Reading, Ordinance No. 26
- B. First Reading, Ordinance No. 27
- C. Nomination for Budget Committee

VIII. ADJOURNMENT--to April 10, 1984

AGENDA NOTES

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V. ITEMS FOR ACTION AT THIS MEETING

- A. Approval of Minutes: Included for Board approval are minutes of the February 21, 1984 regular Board meeting. 7
- B. Board Salary Subcommittee Recommendation: 15

Issues Presented: Should the Board approve the recommendation of the Board Salary Subcommittee to provide a salary increase for administrative staff?

Background: Each year the Board Salary Subcommittee reviews administrative salaries in relation to salaries of like positions in comparable agencies. A recommendation is then made to the full Board, and the final Board decision becomes part of the budget for the new fiscal year. The Board Salary Subcommittee, consisting of Janet Calvert, Judy Nelson, and Larry Parducci, has met several times during the past two months to begin this process. The Board discussed the proposal at its February meeting, at which time the Salary Subcommittee was directed to meet again to review the proposal and to bring it or another proposal before the Board at a future meeting.

Included in the agenda packet is the memo detailing the recommendation of the Subcommittee. Additionally, Subcommittee members and John Sedberry of Tromp & McKinley, the District's broker of record, will be present to answer any questions the Board may have.

Board Salary Subcommittee Recommendation: That the Board approve a salary and benefits package for administrative staff for Fiscal Year 1984-85 as presented in the Subcommittee memo included in the agenda packet.

Results of Recommended Action: The salary and benefits package would be incorporated into the budget being developed for Fiscal Year 1984-85.

- C. Ordinance No. 26, "An Ordinance Making the Board of Directors of the Lane County Mass Transit District (LTD) the Local Contract Review Board for LTD." 22

Issue Presented: Should the Board adopt an ordinance establishing its own public contract review board?

Background: At its October, 1983 meeting, the Board discussed creating a District Contract Review Board to replace the Public Contract Review Board no longer being funded by the State of

Oregon, and directed staff to work with legal counsel to develop the relevant policies and procedures and to draft an ordinance for Board review. At its February, 1984 meeting, the Board reviewed the draft ordinance and directed staff to work with counsel to revise the ordinance to make it less restrictive and cumbersome.

Included in the agenda packet is a copy of Ordinance No. 26, establishing a District Public Contract Review Board in compliance with Oregon statutes, to settle disputes, decide appeals by vendors, and establish contracting procedures for the District. In order to adopt the ordinance, it must be read at two consecutive regularly scheduled meetings of the Board of Directors. If the Board so chooses, it can vote to read the ordinance by title only. Extra copies of the ordinance will be available for members of the public.

It has been suggested by staff that a subcommittee of the Board be created and hold a work session to determine administrative procedures for the District Contract Review Board and procurement and reporting practices for the District, which will be addressed in Ordinance No. 27 at a future meeting.

Staff Recommendation: That the Board vote to read the ordinance by title only ("**ORDINANCE NO. 26, AN ORDINANCE MAKING THE BOARD OF DIRECTORS OF THE LANE COUNTY MASS TRANSIT DISTRICT (LTD) THE LOCAL CONTRACT REVIEW BOARD FOR LTD**") and then hold the first reading of the ordinance, by title only.

Results of Recommended Action: The ordinance will be scheduled for its second reading at the April, 1984 meeting of the Board.

D. **Adoption of Supplemental Budget:**

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Background: The supplemental budget for FY 83-84, as presented in the agenda packet, was approved by the Budget Committee on February 21, 1984, after Board and Budget Committee deliberation regarding allocation of excess revenues in November and December of 1983.

Staff Recommendation: That the Board adopt the enclosed Resolution Adopting the Supplemental Budget, in the total sum of \$500,000, for Fiscal Year 1983-84.

Results of Recommended Action: Staff will make expenditures in accordance with the supplemental budget.

VI. ITEMS FOR INFORMATION AT THIS MEETING

A. Current Activities

1. **Transportation Division--Informational Presentation:**
Don Gray, Transportation Supervisor, will be present at the meeting to describe to the Board the role and functions of the Transportation Division within the District.
2. **Winter Route Segment Analysis Summary:** Enclosed
for the Board's information is a staff memo which explains how data is collected for a Route Segment Analysis (RSA), and summarizes some of the Winter 1984 RSA results.

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B. Monthly Reporting:

1. **Financial**

- a. Comparison of Budgeted and Actual Revenues and Expenditures

- (1) General Fund 27
- (2) Capital Projects Fund 28
- (3) Risk Management Fund 29

- b. Comparison of Year-to-Date Actual Revenues and Expenditures to Budgeted (General Fund) 30

VII. ITEMS FOR ACTION AT A FUTURE MEETING

- A. **Second Reading, Ordinance No. 26:** In order to adopt an ordinance, it must be read at two consecutive regular meetings of the Board, held not less than six days apart. The second reading of Ordinance No. 26 will be scheduled for the April meeting, to be held on April 10.
- B. **First Reading, Ordinance No. 27:** An ordinance adopting the rules of the District Contract Review Board will need to be adopted after reading at two consecutive meetings of the Board. The Budget Subcommittee will be meeting to discuss this issue, and the first reading of the ordinance will be scheduled for the April 10 Board meeting.

- C. Nominations for Budget Committee: One vacancy on the Budget Committee remains. Ms. Nelson is currently reviewing nominations to fill the vacant position.

VIII. ADJOURNMENT

The regularly scheduled April meeting falls during the week of the American Public Transit Association (APTA) Western Regional meeting in Portland. It is hoped that several staff members and possibly some interested Board members will be able to attend the APTA conference, since it is being held so close to Eugene. For that reason, staff suggest that the March meeting be adjourned to Tuesday, April 10, 1984 at 7:30 p.m. in the Eugene City Hall.

MINUTES OF DIRECTORS MEETING
LANE TRANSIT DISTRICT

REGULAR MEETING

February 21, 1984

Pursuant to notice given to The Register-Guard for publication on February 16, 1984 and distributed to persons on the mailing list of the District, the regular monthly meeting of the Board of Directors of Lane Transit District was held on Tuesday, February 21, 1984 at 7:45 p.m. in the City Hall in Eugene, Oregon.

Present: Peter Brandt, Treasurer
Janet Calvert, President, presiding
Janice Eberly, Vice President
Larry Parducci, Secretary
Phyllis Loobey, General Manager
Jo Sullivan, Recording Secretary

News Media Representative:
Mike Stahlberg, The Register-Guard

Absent: Ted J. Langton
Judy Nelson
Glenn E. Randall

CALL TO ORDER: The meeting was called to order at 7:46 p.m., immediately following a short meeting of the Budget Committee.

INTRODUCTORY REMARKS BY BOARD PRESIDENT: Ms. Calvert congratulated the District for receiving the Blue Heron award from the Eugene/Springfield Convention and Visitors' Bureau, for cooperation and outstanding service in working with the Convention Bureau on conventions throughout the year. Ms. Eberly added that comments at the banquet where the award was presented were very favorable toward the District. She thought the entire staff and the Board should be proud of the award.

AUDIENCE PARTICIPATION: Ms. Calvert asked for participation from any member of the audience. There was none.

APPROVAL OF MINUTES: Upon a motion by Mr. Brandt and seconding by Ms. Eberly, the minutes of the January 17, 1984 regular meeting were unanimously approved as distributed.

BOARD SALARY SUBCOMMITTEE RECOMMENDATION: Mr. Parducci, who had signed the memo from the Board Salary Subcommittee which was included in the agenda packet, explained that each year the Board Subcommittee makes a proposal for administrative salaries for the following fiscal year. That proposal is then reviewed by the entire Board, and the resulting salary package becomes part of the budget

process. Mr. Parducci said it was unfortunate that he had been unable to attend the Subcommittee meetings that year, but he had discussed the salary issue by telephone. He stated that it appears that the District, especially in the upper grades, lags behind the salary scales of comparable districts. He called the Board's attention to comparison data listed on pages 13 through 15 of the agenda packet, and stated that the Subcommittee recommendation was detailed on page 15. He added that John Sedberry of Tromp & McKinley was present to respond to any questions regarding the third part of the recommendation, which involved a death benefit/severance pay plan.

In response to questions from the Board, Mr. Sedberry explained that the employees would not be taxed until they received the funds, and that the plan would be administered by the District with the flexibility to invest. The District had been working with an actuarial firm, American Actuaries, to design the plan. The District would apply to the IRS for exempt status, so money could be invested without being taxed. Ms. Loobey added that the District now works with Columbia Management and Trust for the present employee trusts, and she could envision working with them on the new trust, as well. The Board President and the General Manager are the trustees of the salaried employees' pension trust. She stated that because the new plan would be a 501.9(c) plan, the funds could not be commingled.

Mr. Sedberry commented on why the plan had been proposed. He said he had originally been asked to form some ideas on additional compensation because of differences between contract and administrative employees in some benefits. The concept of a severance pay/death benefit was conceived to attract a professional group of employees who may or may not retire from the District. He explained that professional people are hired to come and do a given project and may move on when that project or their usefulness to the District is completed, and that this program rewards longevity but does not necessarily mean the employee would have to wait until retirement to benefit from it. The death benefit is a necessary coupling with the severance pay benefit, because death is not the same as severance. If they are coupled, the District has the ability to pay out any earned benefits, because the plan would use decreasing term death benefit insurance coverage.

Mr. Sedberry also explained that the cost of the plan would be a function of the payroll and current staff. If the District did not increase the number of employees and/or did not increase payroll costs, the cost of the plan would decrease, because it would earn more than was projected. However, he said, there would be salary increases, but with a conservative interest estimate it is anticipated that the fund would stay relatively stable. With this kind of plan, he explained, once money is allocated it is only necessary to set aside a reserve for the future. It is overfunded for any point in time, and when people leave employment with the District early, they leave behind some money in the fund for use by new employees.

Mr. Brandt expressed an interest in seeing the language used to set up the plan, to see if the District would be able to terminate it if the District didn't

like it later. Mr. Sedberry stated that he had no reservations with the plan in that regard.

Mr. Brandt moved that the Board adopt the recommendation of the Salary Subcommittee as set forth in the Board agenda packet for that evening. At that point, Mr. Parducci stated that he was not sure whether or not he really approved of the proposal, so he was unsure about seconding the motion. Ms. Calvert asked if the Board would like the proposal to go back to the Subcommittee for further discussion. The motion died for lack of a second.

Mr. Brandt suggested that before a recommendation comes before the Board, the Subcommittee thinks it out thoroughly and is in agreement and ready to stand behind it. Ms. Calvert stated that it had been a difficult process since Mr. Parducci had been unable to attend the Subcommittee meetings, and she recommended that the issue go back to the Subcommittee for more discussion.

Ms. Eberly asked if the Board might receive further historical information, or a timeline of what salary comparisons and changes were made in previous years. Ms. Calvert stated that the Subcommittee had looked at data comparing salaries of administrative staff at transit properties of similar size and at data from local public agencies and governments. Ms. Loobey added that Cascade Employers had not done their survey of public agencies at the same time this year, so it was unavailable for use by LTD, but staff had done some checking with private sector employers. Their response was that salaries would be increasing within the 5% to 7% range this year.

Ms. Eberly asked what other kinds of things had been considered, and why the Subcommittee had suggested these three components to their proposal. She wondered if the proposed death benefit/severance pay plan was a commonly used one. Ms. Loobey stated that 92 private-sector companies had been surveyed, and that this type of plan was common with them. Mr. Sedberry explained that these programs had been in use for a long time in larger corporations, and the knowledge that they can be useful in smaller entities has been increasing over the past several years.

Ms. Loobey reminded the Board that salary increases for administrative staff are not automatic; under the District's pay for performance plan, salaries are based on performance. The salary plan is budgeted at the control point because it is impossible to anticipate the actual placement of staff on the salary scale until after the yearly performance appraisal on which salary adjustments are based. She stated that the majority of the staff are at about 98% of control point.

With no further discussion, Ms. Calvert stated that the Board Salary Subcommittee would discuss this issue more thoroughly and would bring it back to the Board at a later date.

DRAFT GOALS FOR FISCAL YEAR 1984-85: Ms. Calvert commented that the draft goals had been drawn up for Board discussion, and explained that the division budgets were based on these goals. She stated that if the Board wanted to give direction to staff on how money is to be spent, they needed to give direction during the goal-setting process.

Ms. Eberly asked about the goal for farebox to operating cost the previous year. Ms. Loobey explained that the goal had been cast differently the previous year; this year staff decided to take the current ratio and strive to increase it by 10%, which would be more measurable and easier to keep statistics on than a set percentage goal.

Mr. Brandt wanted to know if that was a realistic goal. Ms. Loobey replied that this was hard to know, and always caused an internal struggle. She said the 30% goal came "out of the air" a long time ago, and staff and the Board had never looked at it to see how realistic a figure that was. She stated that ridership is now up and the cost per passenger is down, and she did not know why the farebox to operating cost ratio did not look better this year. She said the charter revenues had not been included in the figuring of the ratio, but charter expenses had. She said staff were talking with other transit properties to see how they measure their ratio. She thought LTD's should probably be around 22% or 23% rather than 20% or 21%. She said staff would explain their findings to the Board at a later date. Ms. Eberly commented that this issue was discussed during talks with the Special Committee on Transit, but they had been unable to reach a conclusion. Ms. Loobey added that the farebox to operating cost ratio was only one measurement for the District and should be kept in perspective with the others.

Ms. Calvert stated that she assumed that under the Employee Relations goal there would be some effort to develop productivity measurements for a year from now. Ms. Loobey stated that that would be done.

MOTION

Mr. Brandt moved that the Board adopt the Goals and Objectives for FY 84-85 as set forth in the agenda packet. After seconding by Mr. Parducci, the motion passed by unanimous vote.

VOTE

PUBLIC CONTRACT REVIEW BOARD: Ms. Calvert introduced this topic by reminding the Board that several months ago staff had informed them that the State of Oregon no longer funded a Contract Review Board. Staff had been directed to draft a plan for setting up a District Contract Review Board and bring it back to the Board. Included in the agenda packet was a rough draft of an ordinance for the Board's discussion. The final ordinance would have to be read at two consecutive meetings of the Board before it could be adopted.

Ms. Loobey noted that the sections concerning the Board's role as a Public Contract Review Board should be at the beginning of the ordinance, and that some duties as outlined in the ordinance would continue to be administered by staff, as they are currently. Sections 71 and 72, regarding the Board's role, are duties which were previously done by the State Contract Review Board. The major role of the District Contract Review Board, she said, would be to handle disputes with

outside vendors, not to run the internal functions of the bid process. She added that if any part of the ordinance was unclear to the Board, staff could take the ordinance back to counsel and have it clarified or rewritten.

Mr. Brandt thought the ordinance was setting rules, limitations, and policies rather than stating how the District should deal with disputes. He thought the ordinance was much too restrictive and would be cumbersome to work with. He suggested that the ordinance be limited to the Public Contract Review Board, what it is charged with, and what guidelines it should follow, rather than setting policy for how the District is to be run. Ms. Loobey stated that the ordinance was drafted by the District's legal counsel based upon Oregon law, but she would find out from him if any of the information in the draft could be deleted. Ms. Calvert directed staff to review the ordinance and come back to the Board with another proposal.

BUDGET TRANSFER: Ms. Calvert called the Board's attention to the budget transfer on page 54 of the agenda packet. Karen Rivenburg, Accountant, stated that budget transfers do not have to go before the Budget Committee as long as the line items for the transfers are present in the budget. She said that it is usual for some budget transfers to have to be made as the District draws to the end of the fiscal year, and there may be one or two others as costs become better known this spring. She mentioned that the District would be reimbursed about \$5,000 from the Federal government for training and travel; that arbitration costs were higher than anticipated due to a large number of arbitrations this year; legal costs are higher because the retainer was budgeted but the District would also be billed for out-of-pocket legal expenses at the end of the year; and the delay in retrofitting the 500 series buses caused the District to have to operate Dial-A-Bus longer than had been anticipated. She added that the expenditures for the Maintenance fuel and parts budget were less than anticipated. Mr. Brandt commented that if this was all the further the District gets from the budget, it would be doing pretty well.

MOTION

Mr. Brandt moved, seconded by Mr. Parducci, that the Board approve the resolution for transfer of funds as set forth on page 54 of the agenda packet. With no further discussion, the motion carried by unanimous vote.

VOTE

ANNUAL AUDIT: Mr. Brandt stated that the Budget Subcommittee had discussed this issue and decided it was not necessary to ask for proposals for new independent auditors. It was the Subcommittee's recommendation that the Board approve the auditors on an annual basis, but that it was not necessary to request proposals for new auditors. They also recommended that the Board retain the services of Derickson & Gault as the District's auditors for FY 83-84, subject to a satisfactory engagement letter, which would be obtained by the District's Accountant.

MOTION

Mr. Brandt moved that Derickson & Gault be selected as LTD's auditors for FY 83-84, subject to obtaining a satisfactory engagement letter. After seconding, the motion carried unanimously.

VOTE

NOMINATIONS FOR BUDGET COMMITTEE: Ms. Calvert mentioned that the nominations to the Budget Committee were for full three-year terms, and that the Board had met the nominees at the Budget Committee meeting just prior to the Board meeting that evening. After these two positions were filled, one vacancy would remain on the Budget Committee. Ms. Nelson was working on a nomination, and hoped to have someone by the March Board meeting.

MOTION
VOTE
Mr. Brandt mentioned that being on the Budget Committee was not particularly time-consuming, but the Committee makes recommendations to the Board, which is a very important task. He then moved that the Board accept the recommendation to appoint Laurie Power and Roger Smith to the Budget Committee for three-year terms. Mr. Parducci seconded, and the motion passed by unanimous vote.

ITEMS FOR INFORMATION AT THIS MEETING:

Customer Service Center--Informational Presentation: Ms. Loobey introduced Andy Vobora, who has been the Manager of the Customer Service Center for about four months. She stated that, as ridership had grown, so had the activities at the Customer Service Center (CSC).

Mr. Vobora explained that the CSC had a direct link to the Marketing division, since it involved putting out information on the District's product, bus service. The CSC is a multi-purpose facility, acting as a warm, calm, and safe lay-over point for bus riders, an information and sales center, and as office space for six staff people, including himself. He further explained that the information lines are made up of six telephones on which calls are answered in order through use of a call sequencer. He stated that during weather changes, telephone information becomes very important, because the people calling in are the first-time riders. An average day includes 390 calls and 400 people in the CSC, so it is one of the more highly-traveled businesses downtown.

Mr. Vobora stated that pass sales have risen with the increase in ridership, and that the CSC staff are trying to improve their sales abilities in an effort to be a profit center for the District. Other duties performed by the CSC include lost and found, TTY service for the hearing impaired, Reduced Fare Program for disabled patrons, and a Senior Program, offering free fares for patrons 80 years and older. Mr. Vobora mentioned support from other divisions, including being told of breakdowns and detours so the correct information can be given to the patrons, and help such as answering telephones on snowy days. He also mentioned that he is investigating the use of machines such as telephone answering equipment, to help with future needs at the CSC. Mr. Brandt asked about trouble with loiterers on the mall, and Mr. Vobora replied that the CSC staff do not allow the District's patrons to be harrassed or inconvenienced in or near the CSC.

Ms. Eberly and Mr. Brandt thanked Mr. Vobora for a good and interesting presentation.

Salaried Trust--Audit Report and Actuarial Valuation: Ms. Loobey explained that an actuarial valuation was performed every three years on the Salaried Trust pension plan, and an audit report was done each year. She stated that the trustees are pleased with the actuarial valuation, which indicated that the trust is in sound financial posture with no unfunded liabilities. There was some discussion about all the accounting and administration being done by Portland firms. Ms. Loobey explained that the records are all in Portland because only Portland firms responded to the District's request for proposals. Additionally, she said, Columbia Trust has done well with the District's funds, consistently outperforming other investment houses.

Summary of Christmas Service: In reviewing the staff memo which compared riders per vehicle hour for the Christmas service, several Board members commented that the JOYRIDE seemed to be very successful. Ms. Loobey explained that the less successful Valley River Center/River Road special service had been done on a trial basis because of many requests for that type of service. However, Stefano Viggiano, Planning Administrator, stated that staff would look critically at such service and initiate changes before it would be considered again.

Role of Subcommittees and Board: Ms. Calvert stated that this topic had been discussed previously and the members present at that meeting had hoped to discuss it again when the full Board was present. She asked if the Board might want to wait until more members were present, or if they would like to discuss this issue that night because of some concerns raised during the action items that evening. Mr. Brandt thought it should be put on the agenda again for discussion by the full Board. He stated that he thought the subcommittees were very important and gave the District the opportunity to discuss sensitive issues and reach some conclusions before coming before the full Board. However, he said, he felt it was important for the subcommittees to come to the full Board convinced and ready to make a recommendation. Ms. Eberly said she did not disagree with the purpose of taking a careful look, but she did not agree about having a consensus opinion. Mr. Brandt said that two out of three subcommittee members agreeing would be considered consensus, and that the third member should have the opportunity to express his/her differences, but the subcommittee should be able to come to the Board with a recommendation.

Mr. Parducci, in referring to the Board discussion on an administrative salary package, said that the Salary Subcommittee had made a recommendation to the Board, and that one Subcommittee member who wasn't present at the Board meeting that evening may have voiced agreement with the recommendation if she had been present. He apologized about not being able to support the recommendation, but he had not been able to attend the meetings and, although he had discussed the recommendation over the telephone, he had had second thoughts about it as he had reviewed it during the past several days. He thought the subcommittees should discuss their lack of agreement at further subcommittee meetings, rather than bringing issues to the full Board or discussing them on the telephone.

Mr. Brandt thought the subcommittees should be able to come to the full Board for help, but the ultimate goal of the subcommittees should be that of

making a recommendation to the full Board. Ms. Eberly agreed, but thought there would be times when that would be impossible. Mr. Brandt suggested that at those times, the subcommittees should present the issue to the Board in a thorough manner, listing the positives, negatives, and subcommittees' concerns.

Ms. Calvert thought the discussion had been useful. Mr. Brandt commented that the Board members were all learning together, and that the subcommittees were critical because they saved time in "hammering out" issues at the full Board meetings. In response to a question, Ms. Calvert stated that there were presently only two subcommittees: the Salary Subcommittee and the Budget Subcommittee.

MOTION

ADJOURNMENT: With no further discussion, Ms. Eberly moved that the meeting be adjourned to March 13, 1984 at 7:30 p.m. at the Eugene City Hall. The motion

VOTE

was seconded by Ms. Calvert and carried by unanimous vote.


Board Secretary



LANE TRANSIT DISTRICT

March 13, 1984

MEMO

TO: LTD Board of Directors
FROM: Larry Parducci, Chairperson
RE: Administrative Salaries for FY 84-85

As is customary this time of year, the Subcommittee on Administrative Salaries met on several occasions in January and February with the District Executive Committee to discuss administrative salaries and benefits for FY 84-85 in preparation for the development of next fiscal year's operating budget.

As a basis for discussion, the Subcommittee reviewed salary survey data, compiled by staff, comparing District administrative salaries with like positions in its marketplace (See Exhibit One). Units of local government and West Coast transit properties of relative similar size were surveyed. The survey results showed the District lagging behind its market by an average of 11%. This disparity is greater at the higher salary ranges, Grade 6 and above, than at the lower ranges.

Further information considered included the adjustment of bargaining unit wages in the coming fiscal year by 4.1%; the increase in the CPI-All Urban Consumers Index (Portland) for 1983 of 2.9%; and results of a local private industry survey which showed anticipated adjustments in the 5% to 7% range in the coming year.

A second area the Subcommittee reviewed was the fringe benefits provided administrative staff. During last year's deliberations on salary and benefits, the Board directed staff to develop a benefit proposal for consideration this year. Staff suggested the differential benefit because the benefits provided administrative staff are the same in most instances, but less in other, than for District bargaining unit employees. Bargaining unit employees enjoy certain benefits for which administrative staff have nothing comparable. These include uniforms and cleaning (\$400 per employee per year), show allowance (\$24 per employee per year), a felonious assault insurance policy, and differences in pension plans.

Administrative staff do not collectively bargain for salary and benefits; they look to the Board for equitable consideration in terms of compensation. Also, administrative staff are expected to expend whatever effort is required to complete a work activity, including working overtime without compensation.

To develop a modification to the administrative benefit plan, the Executive Committee worked with Mr. John Sedberry of Tromp and McKinley, the District's insurance Broker of Record. After reviewing a number of alternatives, the administrative employees selected for the Board's consideration a Severance Pay/Death Benefit Plan. The program is actuarially defined and provides an administrative staff member benefits of:

- Two times annual salary upon pre-retirement death;
- A severance from employment benefit, defined as leaving District employment for any reason other than preretirement death and by length of service with the District, paid in week(s) of salary. As proposed, the benefit would recognize service since 1980, and pay a benefit based on the following schedule:

0 wks pay/yr.	-	First 2 years
1 wks pay/yr.	-	Next 6 years
2 wks pay/yr.	-	Next 5 years
4 wks pay/yr.	-	Next 4 years
5 wks pay/yr.	-	Thereafter

Maximum benefit of 52 weeks' pay after 20 years of District service.

Plan specifics and questions can be addressed by John Sedberry at the March 13, 1984 Board meeting.

To address the primary goal of the Board-adopted Administrative Salary Plan of providing equitable compensation to administrative staff, and to provide a differential benefit to administrative staff, compared to those enjoyed by bargaining unit employees, the following is recommended to the Board by the Subcommittee:

- A general adjustment to the administrative salary schedule of 3.5%.

Expenditure: \$34,155

- *Consistent with area employers survey of 5% to 7%;
- *CPI-All Urban Consumers (Portland) 1983 2.9%;
- *Contributes to equity with bargaining unit employees' 4.1% adjustment for FY 84-85.

- An additional adjustment to grades within the administrative salary schedule, to be distributed by the Executive Committee.

Expenditure: \$30,320

- *Partially addresses gap in market survey;
- *Contributes to LTD's competitive staff recruitment capabilities;
- *Recognize historical salary inequities;
- *Reduces compaction between first-line supervisors and bargaining unit employees.

- Implementation of a Severance Pay/Death Benefit Plan, for which a reserve fund would need to be established, for administrative staff.

Annual Cost: \$31,284 + \$2,000 start-up costs.

*Overcomes benefit differences between administrative and bargaining unit employees.

The combined salary schedule adjustment recommendations are shown in Exhibit Two. Individual salary adjustments are not automatic. Actual increases must be earned based on an employee's performance in the accomplishment of goals and objectives as defined in the District's Performance Based Pay Plan, reviewed in June of each year by the employee's supervisor.

In summary, the Subcommittee recommends to the Board the approval of the following:

- 3.5% salary increases across the full salary schedule;
Expenditure: \$34,155.
- An additional salary increase to Grades 6 through 13;
Expenditure: \$30,320.
- Funding of the Severance Pay/Death Benefit Plan;
Actual Cost: \$31,284 plus \$2,000 start-up costs.

Larry Parducci / ip

Larry Parducci, Chairperson
Subcommittee on Administrative Salaries

attachments



LANE TRANSIT DISTRICT

March 13, 1984

MEMO

TO: LTD Board of Directors
FROM: Personnel Administrator
RE: Historical Overview of Administrative Salary Adjustments

FY 79-80

July 1, 1979 - 6% adjustment to Administrative Salary Schedule.

January 1, 1980 - 4% adjustment to Administrative Salary Schedule.
(8% annualized)

FY 80-81

July 1, 1980 - Administrative Salary Schedule restructured and expanded from 10 grades to 13 grades; positions were reallocated accordingly.

January 1, 1981 - All administrative salaries reduced by 5% for 6-month period.

FY 81-82

July 1, 1981 - 5% restored to salary schedule (not retroactive).

November 12, 1981 - 10% adjustment to Administrative Salary Schedule retroactive to July 1, 1981.

January 1, 1982 - 2% adjustment to Administrative Salary Schedule
(11% annualized).

FY 82-83

July 1, 1982 - No adjustment; Administrative Salary Schedule frozen.

November, 1982 - Implementation of a new administrative evaluation and compensation policy based on employee performance; advancement in accordance with policy.

Overview, Cont.
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FY 83-84

July 1, 1983 - 5% adjustment to Administrative Salary Schedule;
advancement based on employee evaluation conducted in June.

David Harrison

David Harrison
Personnel Administrator

DH/em

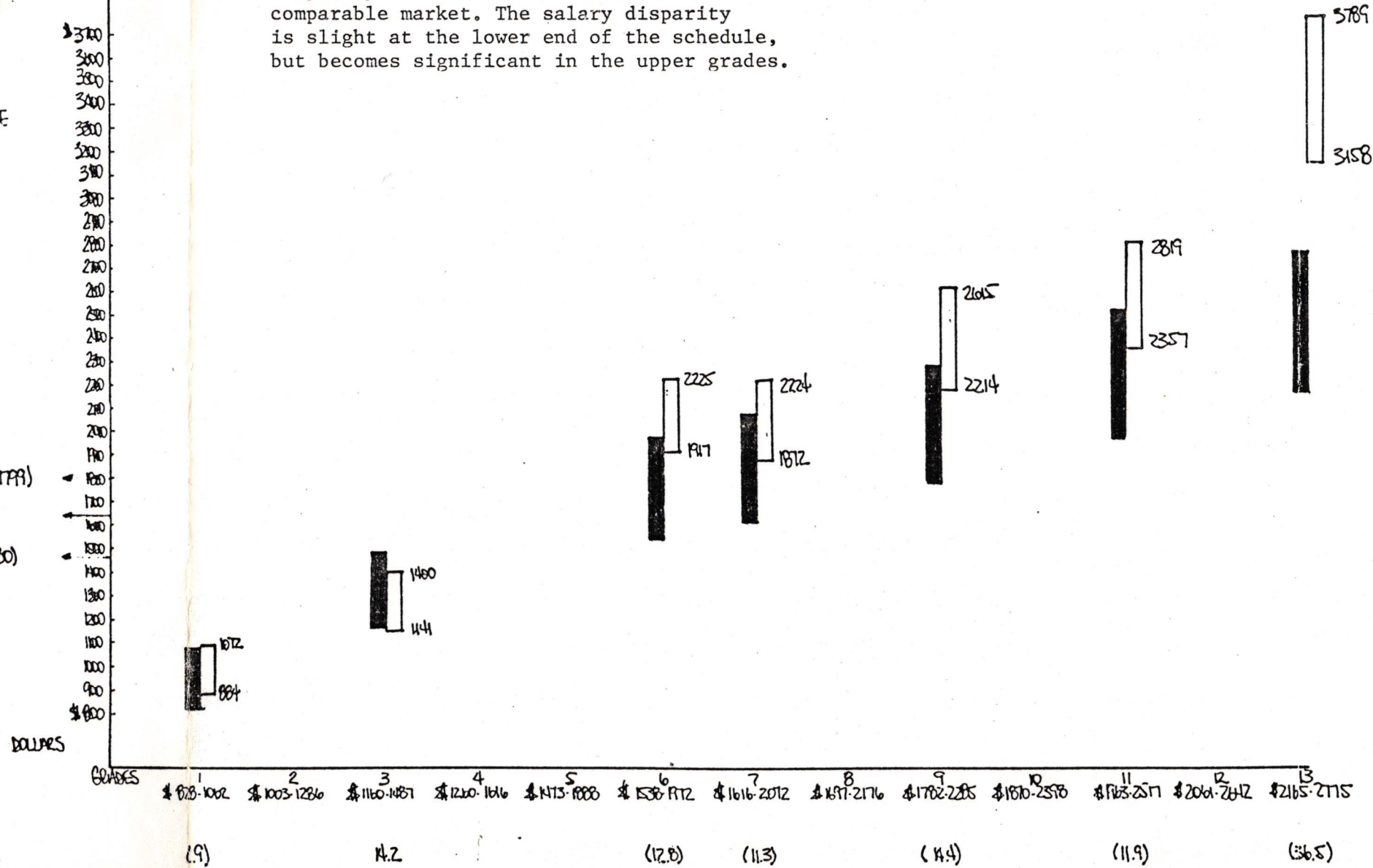
EXHIBIT ONE:

This chart displays the results of the salary survey and highlights the continuing disparity between LTD salaries and its comparable market. The salary disparity is slight at the lower end of the schedule, but becomes significant in the upper grades.

■ LTD CURRENT SALARY
□ SALARY SURVEY AVERAGE

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✓ JOSEPHMAN MECHANIC (\$1799)
✓ SIS OPERATOR (\$1636)
✓ INFORMATION CTRK (\$1480)



AVERAGE % OVER OR
(UNDER) AT CONTROL:
LTD VS. SURVEY AVERAGE

LANE TRANSIT DISTRICT
SALARY SCHEDULE
PERFORMANCE BASED PAY
ADMINISTRATIVE EMPLOYEES

EXHIBIT TWO

July 5, 1984

<u>SALARY GRADE</u>	<u>MINIMUM</u>	<u>MIDPOINT</u>	<u>CONTROL POINT</u>	<u>MAXIMUM</u>
Grade 1 Clerk Typist	857	1011	1099	1187
Grade 2	1038	1225	1331	1437
Grade 3 Clerical Specialist Personnel Svcs. Specialist Accounting Clerk Maintenance Clerical Spec.	1200	1416	1539	1662
Grade 4	1305	1539	1673	1807
Grade 5	1524	1798	1954	2110
Grade 6 Marketing Representative	1638	1932	2100	2268
Grade 7 Executive Secretary Purchasing Agent Service Analyst Customer Relations Mgr. System Supervisor	1721	2030	2207	2384
Grade 8 Administrative Analyst Safety & Training Sup. Field Supervisor	1824	2152	2339	2526
Grade 9 Personnel Administrator Asst. Transportation Sup.	1916	2260	2456	2652
Grade 10	2011	2372	2578	2784
Grade 11 Marketing Administrator Planning Administrator Accountant Transportation Supervisor Maintenance Supervisor	2111	2490	2706	2922
Grade 12	2215	2613	2840	3067
Grade 13 Director of Administrative Services Director of Operations	2349	2770	3011	3252

ORDINANCE NO. 26

AN ORDINANCE MAKING THE BOARD OF DIRECTORS
OF THE LANE COUNTY MASS TRANSIT DISTRICT (LTD)
THE LOCAL CONTRACT REVIEW BOARD FOR LTD

The Board of Directors of the Lane County Mass Transit District (LTD) ordains as follows:

Section 1. Findings.

a. LTD is authorized by ORS 279.055, as amended by Chapter 690, Oregon Laws 1983 (Enrolled Senate Bill 190), to create its governing body as a local contract review board for LTD, and to prescribe the manner in which the local contract review board may adopt rules.

b. The immediate establishment of a functioning local contract review board for LTD is essential for the effective provision of a mass transit system.

Section 2. Contract Review Board.

a. The LTD Board of Directors is made the local contract review board for LTD, which shall be called the LTD Contract Review Board.

b. The LTD Board of Directors, acting as the LTD Contract Review Board, may adopt rules by ordinance in accordance with LTD Third Amended Ordinance No. 1.

Section 3. Emergency.

An emergency is declared and this ordinance takes effect upon adoption.

Adopted: _____

151 Janet Calvert
Janet Calvert, President

Attest:

Recording Secretary

LANE TRANSIT DISTRICT
SUPPLEMENTAL BUDGET FINANCIAL SUMMARY
FOR THE FISCAL YEAR 1983-84

GENERAL FUND

RESOURCES

Passenger Revenue	\$217,000
Interest	40,000
Federal Operating Assistance	243,000
Total Resources	\$500,000

EXPENDITURES

Administration - Personal Services	\$ 3,700
Mktg. & Planning-Personal Services	4,400
" " " -Materials & Supplies	3,000
" " " -Contractual Services	7,000
Transportation-Personal Services	62,900
" -Contractual Services	20,000
Maintenance-Personal Services	46,000
" -Materials & Supplies	(10,000)
Accrued Leave	93,000
Transfer to Capital Projects Fund	135,000
Transfer to Risk Management Fund	135,000
Total Expenditures	\$500,000

RESOLUTION ADOPTING THE SUPPLEMENTAL BUDGET

BE IT RESOLVED that the Board of Directors of the Lane Transit District hereby adopts the supplemental budget, as approved by the Budget Committee for 1983-84 in the total sum of \$500,000, now on file at the Lane Transit District offices, located at 8th and Garfield.

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED that the Board of Directors hereby also increases appropriations in the current 1983-84 fiscal year budget and that the supplemental budget is appropriated as follows:

General Fund

Administration - Personal Services	\$ 3,700
Mktg. & Planning - Personal Services	4,400
" " - Materials & Supplies	3,000
" " - Contractual Services	7,000
Transportation - Personal Services	62,900
" - Contractual Services	20,000
Maintenance - Personal Services	46,000
" - Materials & Supplies	(10,000)
Accrued Leave	93,000
Transfer to Capital Projects Fund	135,000
Transfer to Risk Management Fund	135,000
Total General Fund Appropriation	\$500,000

1st Larry Parducci
Secretary

3/13/84
Date



LANE TRANSIT DISTRICT

March 13, 1984

TO: Board of Directors

FROM: Leon Skiles, Service Analyst

RE: Winter 1984 Route Segment Analysis

Each quarter the Planning Department conducts a Route Segment Analysis (RSA). RSA's record the ridership on each trip of each route in the system for one weekday, (usually a Wednesday), a Saturday and a Sunday. The RSA data are useful in comparing ridership by time of day and between particular routes. The data helps us to "fine tune" the system by indicating where low ridership routes or trips are, or where overcrowding may be occurring and where additional service is warranted. By looking at RSA data over time we can see which routes are improving or declining and we can evaluate the effect of specific service changes upon routes.

The days selected for the Winter 1984 RSA were Wednesday, January 25, Saturday, January 28 and Sunday, January 29. Following is a summary of some of the RSA results.

WEEKDAY

In general, the same trends identified in the Fall 1983 RSA continued through this RSA. The #11 THURSTON and the routes oriented around the University of Oregon and Lane Community College continued to be the most productive routes in the system. These routes carried between 33 and 45 rides per vehicle hour, compared to the system average of 28 rides per vehicles hour.

One of the most encouraging trends is that routes that have tended to have the lowest productivity have experienced the greatest increases in productivity over the last two RSA's. Previously several of these routes had ridership below the minimum standard. In the Winter 1984 RSA only the #65 COUNTRY CLUB was below the minimum standard. Following some routing and scheduling changes the #62 5TH ST. MARKET showed the largest single increase in productivity over last year's RSA.

The #32 WEST 11TH and the #35 WESTSIDE, which were introduced in September 1983, showed increases in ridership. Also, the #36 UNIVERSITY and the #39 PARKWAY, which were implemented in January 1984, had an encouraging combined productivity of almost 18 rides per vehicle hour.

Board of Directors
Winter 1984 RSA
March 13, 1984
Page Two

SATURDAY

The #11 THURSTON and the Valley River Center oriented routes continued to have the highest productivity on Saturdays. In fact, the most productive route in the system is the #64 VRC/K-MART on Saturdays. The largest increase in productivity occurred on the #62 5TH ST. MARKET. Overall, the productivity of Saturday service increased, due, most likely, to the elimination of evening service between 9:00 and 11:00 p.m.

Sunday

The top routes on Sunday were also the #11 THURSTON and the Valley River Center oriented routes. The #62 5TH ST. MARKET, again, experienced the largest single increase in productivity. The elimination of several sub-standard routes in June 1983 caused the overall productivity of Sunday service to increase. In January 1983 six Sunday routes failed to meet minimum standards, while there was only one sub-standard route in the current RSA.


Leon Skiles
Service Analyst

LS:ms

LANE TRANSIT DISTRICT
COMPARISON OF BUDGETED AND ACTUAL REVENUES AND EXPENDITURES
GENERAL FUND
FOR THE EIGHT MONTHS ENDING FEBRUARY 29, 1984 (66.67% YEAR COMPLETED)

	CURRENT MONTH		YEAR-TO-DATE		%	YEARLY	BALANCE
	1984	1983	1984	1983	EXPENDED	BUDGET	
REVENUES							
Operating Revenues:							
Passenger Fares	\$ 117,247	\$ 110,478	\$ 858,841	\$ 786,139	83.76%	\$1,025,400	\$ (166,559)
Charters	268	200	21,215	18,465	58.93	36,000	(14,785)
Advertising	4,202	3,655	30,599	29,366	65.95	46,400	(15,801)
Miscellaneous	383	211	2,021	5,004	20.21	10,000	(7,979)
TOTAL OPERATING REVENUES	122,100	114,544	912,676	838,974	81.65	1,117,800	(205,124)
Non-Operating Revenues:							
Interest	14,397	6,927	84,924	63,185	169.85	50,000	34,924
Payroll Taxes	832,249	870,000	3,703,029	3,474,273	80.96	4,574,000	(870,971)
Federal Operating Assistance	—	—	—	—	N/A	650,000	(650,000)
ORE In-Lieu-Of Payroll Taxes	—	—	125,516	168,397	62.76	200,000	(74,484)
Other Operating Assistance	—	—	2,941	—	N/A	—	2,941
TOTAL NON-OPERATING REVENUES	846,646	876,927	3,916,410	3,705,855	71.55	5,474,000	(1,557,590)
TOTAL REVENUES	968,746	991,471	4,829,086	4,544,829	73.26	6,591,800	(1,762,714)
EXPENDITURES							
Administration:							
Personal Services	29,001	30,462	241,242	231,425	62.82	384,000	142,758
Materials and Supplies	9,326	5,483	63,484	51,133	59.55	106,600	43,116
Contractual Services	1,588	912	24,723	47,957	45.45	54,400	29,677
TOTAL ADMINISTRATION	39,915	36,857	329,449	330,515	60.45	545,000	215,551
Marketing & Planning:							
Personal Services	29,542	23,104	234,030	221,679	65.83	355,500	121,470
Materials and Supplies	8,998	8,687	88,493	65,522	80.23	110,300	21,807
Contractual Services	36,416	48,087	204,117	201,930	72.98	279,700	75,583
TOTAL MARKETING & PLANNING	74,956	79,878	526,640	489,131	70.64	745,500	218,860
Transportation:							
Personal Services	258,982	223,031	2,140,359	2,035,265	65.48	3,268,900	1,128,541
Materials and Supplies	1,961	703	5,403	5,805	26.49	20,400	14,997
TOTAL TRANSPORTATION	260,943	223,734	2,145,762	2,041,070	65.23	3,289,300	1,143,538
Maintenance:							
Personal Services	71,104	66,310	610,923	581,553	67.50	905,100	294,177
Materials and Supplies	61,686	67,981	515,047	599,861	54.96	937,100	422,053
Contractual Services	5,522	5,609	36,111	41,667	34.07	106,000	69,889
TOTAL MAINTENANCE	138,312	139,900	1,162,081	1,223,081	59.65	1,948,200	786,119
Contingency	—	—	—	—	N/A	63,800	63,800
Transfer to Capital Projects	—	—	—	186,400	N/A	—	—
Transfer to Risk Management	—	—	—	143,900	N/A	—	—
TOTAL EXPENDITURES	514,126	480,369	4,163,932	4,414,097	66.96	6,591,800	2,427,868
EXCESS (DEFICIT) OF REVENUES							
OVER EXPENDITURES	\$ 454,620	\$ 511,102	\$ 665,154	\$ 130,732	N/A	\$ —	\$ 665,154

LANE TRANSIT DISTRICT
COMPARISON OF BUDGETED AND ACTUAL REVENUES AND EXPENDITURES
CAPITAL PROJECTS FUND
FOR THE EIGHT MONTHS ENDING FEBRUARY 29, 1984 (66.67% YEAR COMPLETED)

	YEAR-TO DATE	% EXPENDED	YEARLY BUDGET	BALANCE
RESOURCES				
BEGINNING FUND BALANCE	\$1,332,122	118.18%	\$1,127,207	\$ 204,915
Revenues:				
UNTA Section 3	—	N/A	2,144,203	(2,144,203)
UNTA Section 5	247,800	26.69	928,370	(680,570)
UNTA Section 9A	9,013	2.29	393,000	(383,987)
UNTA Section 18	18,805	84.86	22,160	(3,355)
Federal Aid Urban	—	N/A	41,200	(41,200)
State Assistance	87,371	34.03	256,719	(169,348)
TOTAL REVENUES	362,989	9.59	3,785,652	(3,422,663)
TOTAL RESOURCES	1,695,111	34.50	4,912,859	(3,217,748)
EXPENDITURES				
Locally Funded:				
Land and Buildings	3,871	21.75	17,800	13,929
Bus Stop Improvements	9,225	36.18	25,500	16,275
Office Equipment	5,076	31.73	16,000	10,924
Computer Software	—	N/A	2,500	2,500
Maintenance Equipment	2,133	224.53	950	(1,183)
Miscellaneous	413	11.47	3,600	3,187
TOTAL LOCALLY FUNDED	20,718	31.23	66,350	45,632
Federal Aid Urban Funded:				
Bus Stop Improvements	—	N/A	77,000	77,000
TOTAL FAU FUNDED	—	N/A	77,000	77,000
UNTA Funded:				
Buses	—	N/A	3,856,000	3,856,000
Bus Related Equipment	294,135	98.05	300,000	5,865
Service Vehicles	9,797	50.24	19,500	9,703
Bus Stop Improvements	23,506	31.34	75,000	51,494
Office Equipment	14,969	24.48	61,150	46,181
Miscellaneous	—	N/A	166,000	166,000
Computer Software	2,116	3.11	68,000	65,884
TOTAL UNTA FUNDED	344,523	7.58	4,545,650	4,201,127
Contingency	—	N/A	223,859	223,859
TOTAL EXPENDITURES	365,241	7.43	4,912,859	4,547,618
ENDING FUND BALANCE	\$1,329,870	N/A	\$ —	\$1,329,870

LANE TRANSIT DISTRICT
COMPARISON OF BUDGETED AND ACTUAL RESOURCES AND EXPENDITURES
RISK MANAGEMENT FUND
FOR THE EIGHT MONTHS ENDING FEBRUARY 29, 1984 (66.67% YEAR COMPLETED)

	YEAR-TO- DATE	% EXPENDED	YEARLY BUDGET	BALANCE
RESOURCES				
BEGINNING FUND BALANCE	\$ 297,749	93.22%	\$ 319,400	\$ (21,651)
Revenues:				
Transfer From General Fund	—	N/A	—	—
Interest	13,977	279.54	5,000	8,977
TOTAL REVENUES	13,977	279.54	5,000	8,977
TOTAL RESOURCES	311,726	96.09	324,400	(12,674)
EXPENDITURES				
Administration	11,784	56.38	20,900	9,116
Worker's Compensation	59,526	57.24	104,000	44,474
Liability Program	92,326	47.32	195,100	102,774
Miscellaneous Insurance	1,892	43.00	4,400	2,508
TOTAL EXPENDITURES	165,528	51.03	324,400	158,872
ENDING FUND BALANCE	\$ 146,198	N/A	\$ —	\$ 146,198

LANE TRANSIT DISTRICT
COMPARISON OF YEAR-TO-DATE ACTUAL REVENUES AND EXPENDITURES TO BUDGETED
GENERAL FUND
FOR THE EIGHT MONTHS ENDING FEBRUARY 29, 1984

	YEAR-TO-DATE ACTIVITY	YEAR-TO-DATE BUDGET	VARIANCE FAVORABLE (UNFAVORABLE) AMOUNT	%
REVENUES				
Operating Revenues:				
Passenger Fares	\$ 858,841	\$ 683,400	\$ 175,441	25.67%
Charters	21,215	25,400	(4,185)	(16.48)
Advertising	30,599	30,920	(321)	(1.04)
Miscellaneous	2,021	1,600	421	26.31
TOTAL OPERATING REVENUES	912,676	741,320	171,356	23.11
Non-Operating Revenues:				
Interest	84,924	33,200	51,724	155.80
Payroll Taxes	3,703,029	3,420,500	282,529	8.26
Federal Operating Assistance	---	---	---	N/A
Oregon In-Lieu-Of Payroll Taxes	125,516	100,000	25,516	25.52
Other Operating Assistance	2,941	---	2,941	N/A
TOTAL NON-OPERATING REVENUES	3,916,410	3,553,700	362,710	10.21
TOTAL REVENUES	4,829,086	4,295,020	534,066	12.43
EXPENDITURES				
Administration:				
Personal Services	241,242	254,212	12,970	5.10
Materials and Supplies	63,484	71,610	8,126	11.35
Contractual Services	24,723	29,400	4,677	15.91
TOTAL ADMINISTRATION	329,449	355,222	25,773	7.26
Marketing & Planning:				
Personal Services	234,030	236,560	2,530	1.07
Materials and Supplies	88,493	92,620	4,127	4.46
Contractual Services	204,117	217,800	13,683	6.28
TOTAL MARKETING & PLANNING	526,640	546,980	20,340	3.72
Transportation:				
Personal Services	2,140,359	2,179,800	39,441	1.81
Materials and Supplies	5,403	12,410	7,007	56.46
TOTAL TRANSPORTATION	2,145,762	2,192,210	46,448	2.12
Maintenance:				
Personal Services	610,923	601,900	(9,023)	(1.50)
Materials and Supplies	515,047	623,640	108,593	17.41
Contractual Services	36,111	70,200	34,089	48.56
TOTAL MAINTENANCE	1,162,081	1,295,740	133,659	10.32
Transfer to Capital Projects	---	---	---	N/A
Transfer to Risk Management	---	---	---	N/A
TOTAL EXPENDITURES	4,163,932	4,390,152	226,220	5.15
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	\$ 665,154	\$ (95,132)	\$ 760,286	N/A