

LANE TRANSIT DISTRICT  
BUDGET COMMITTEE MEETING

November 27, 1984

7:30 p.m.

Municipal Courtroom #1,  
Eugene City Hall

A G E N D A

- I. CALL TO ORDER
- II. ROLL CALL  
Bonney\_\_\_\_\_ Brandt\_\_\_\_\_ Calvert\_\_\_\_\_ Eberly\_\_\_\_\_  
Hamilton\_\_\_\_\_ Nelson\_\_\_\_\_ O'Donnell\_\_\_\_\_ Parducci\_\_\_\_\_  
Pusateri\_\_\_\_\_ Power\_\_\_\_\_ Pryor\_\_\_\_\_ Scheve\_\_\_\_\_  
Smith\_\_\_\_\_ Watkinson\_\_\_\_\_
- III. INTRODUCTORY REMARKS BY BUDGET OFFICER, MARK PANGBORN
- IV. APPROVAL OF MINUTES
- V. ITEMS FOR INFORMATION
  - A. Employee of the Month
  - B. Employee Incentive Programs Report
- VI. ITEMS FOR ACTION
  - A. Mid-year Budget Projections
  - B. Supplemental Budget
- VII. ADJOURNMENT

(Revised)



**Lane Transit District**

P.O. Box 2710 Eugene, Oregon 97402 Telephone: (503) 687-5581

November 27, 1984

TO: Board of Directors and Budget Committee  
FROM: Safety and Training Supervisor  
RE: EMPLOYEE INCENTIVE PROGRAMS

As promised, here is the update on the status of the various division incentive programs. All programs have been in effect since July 1, 1984.

Maintenance:

The Maintenance division programs are intended to reduce the number of road calls based on quarterly figures. Before starting the program, road calls were averaging 105 per month. Employees were to be paid \$25.00 each at the end of the first quarter if they could reduce road calls to an average of 90 per month (270 quarterly total); \$50.00 each if reduced to an average of 85 per month (255 total). The actual figures were July 79, August 75, and September 81, for a total of 231 during the quarter. Each maintenance employee received \$50.00.

The road call incentive program was dropped at the end of September at the request of the Maintenance division employees, who felt that the program was unfair (too much depended on outside influences) and inequitable. Interestingly, the road call total for October was 105. This is blamed primarily on two or three of our twin coach series buses which are old and scheduled for replacement. The cold weather also affects road calls with engine starting problems and heater problems.

Currently, the Maintenance division is working on a new proposal for an alternate incentive program during the rest of the year.

Customer Service:

The staff at the Customer Service Center embarked on an incentive program directed to reduce the number of phone calls dropped from the "hold" position. Dropped phone calls from potential or existing riders cost the District money. Therefore, monetary rewards were designed to try to reduce the rate, which stood at 7.3% for fiscal year 1983-84.

Employees were to receive \$25.00 for reducing lost calls to 6.5% and \$50.00 if reduced to 6.0% during the first quarter of fiscal year 1984-85, with subsequent goals being set from the level attained in previous quarters.

The first quarter was one marked with staff shortages and particularly heavy demand during the Lane County Fair. Considering these factors, staff performance far exceeded any expectations we had when the program was designed. The first quarter level fell to 5.6%, which shows a decrease of 1.7% over the previous year's performance.

We are very proud of the recognition by staff as to the importance of this aspect of our service to LTD patrons. The ability of the staff to handle more calls while completing various other customer services will continue to help LTD attain increased ridership and provide a more complete service.

This program will continue with a second quarter goal of 5.2% being targeted. One month into the second quarter, the downward trend is continuing. Lost call rate for October stood at 4.1%. This is encouraging because system stability should continue to increase as patrons become more accustomed to the new service started in September. System stability reduced the complexity of questions asked, resulting in shorter call lengths, which directly relates to the number of calls lost. Continued improvement in this area will place LTD's Customer Service Center among the leaders in phone services offered by transit districts across the nation.

Transportation:

Transportation's proposal is aimed at reducing unscheduled absences. The program is divided into two six-month periods and rewards the employee on a sliding scale based on the number of days absent. The reward breakdown for the two periods, July 1, to December 31, 1984 and January 1, 1985 to June 30, 1985 are as follows:

Absences	Amount of Reward
0	\$200.00
1	\$150.00
2	\$125.00
3	\$100.00
4	\$ 75.00

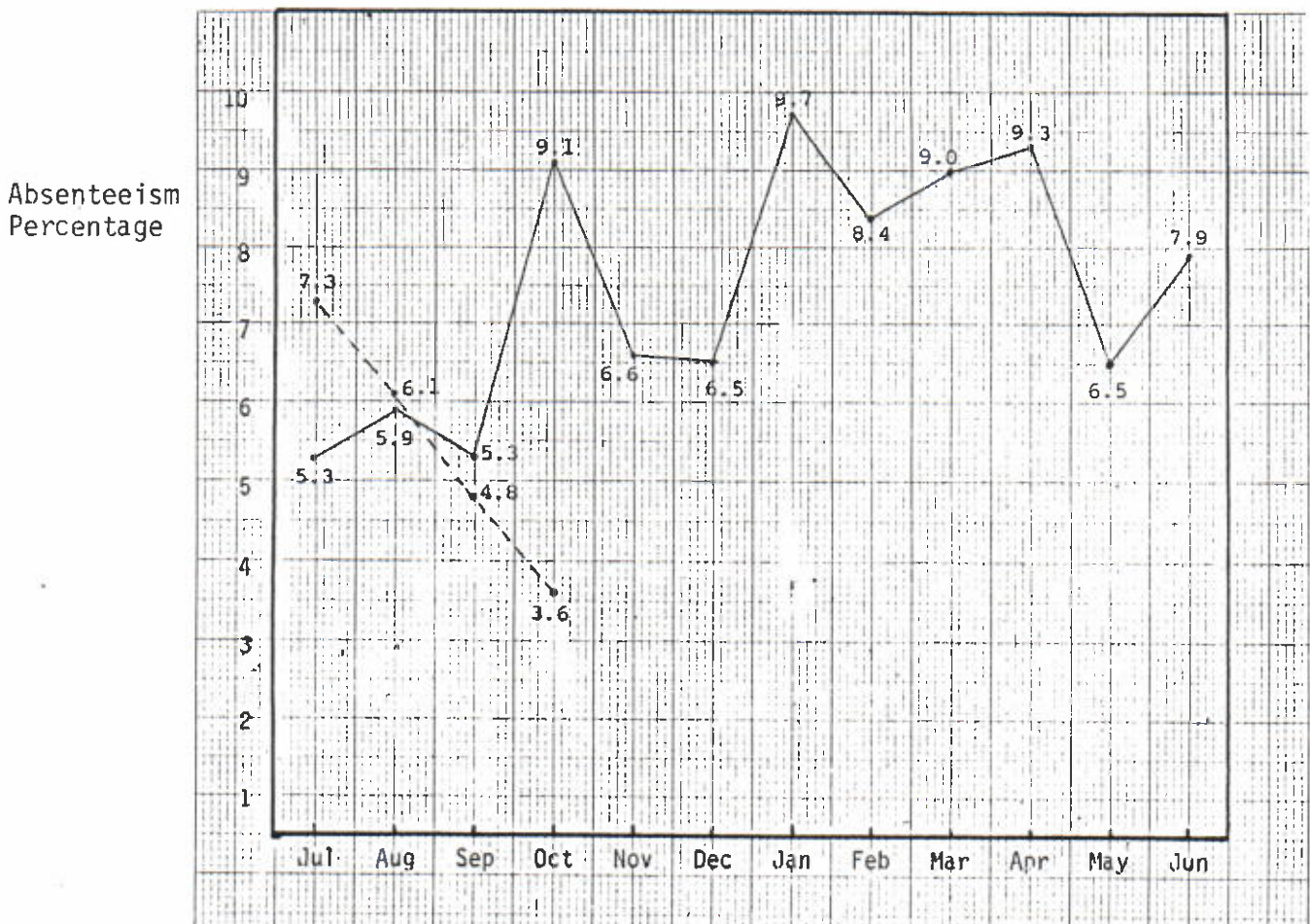
The status as of October 19, 1984, along with data from comparable periods last year is listed below.

	1-1-83 to 4-19-83	1-1-84 to 4-19-84	7-1-83 to 10-19-83	7-1-84 to 10-19-84
Total Eligible Employees	100	100	100	100
Total Absences	512	569	337	311
Total Employees Eligible for an Award	63	67	78	83



	<u>1-1-83 to</u> <u>4-19-83</u>		<u>1-1-84 to</u> <u>4-19-84</u>		<u>7-1-83 to</u> <u>10-19-83</u>		<u>7-1-84 to</u> <u>10-19-84</u>		
	<u># of</u> <u>Eligible</u> <u>Employees</u>	<u>Cost</u>	<u># of</u> <u>Eligible</u> <u>Employees</u>	<u>Cost</u>	<u># of</u> <u>Eligible</u> <u>Employees</u>	<u>Cost</u>	<u># of</u> <u>Eligible</u> <u>Employees</u>	<u>Cost</u>	
0	\$200	32	\$6,400	26	\$5,200	37	\$7,400	56	\$11,200
1	\$150	8	1,200	10	1,500	12	1,800	11	1,650
2	\$125	8	1,000	10	1,250	13	1,625	5	625
3	\$100	6	600	10	1,000	11	1,100	8	800
4	\$ 75	9	675	11	825	5	375	3	225
TOTALS		<u>63</u>	<u>\$9,875</u>	<u>67</u>	<u>\$9,775</u>	<u>78</u>	<u>\$12,300</u>	<u>83</u>	<u>\$14,500</u>

Transportation Absenteeism



Yearly Absenteeism Percents

— 1983  
- - - 1984

1980 7.2%  
1981 6.8%  
1982 7.5%  
1983 7.5%

While we are down considerably since the first of the year, the improvement is only slightly better than this same time period in 1983. The present trend is very encouraging. The true test of whether this program is working will be during the period of 1-1-85 to 6-30-85. Then we can see if absences are still down during a period where they have risen considerably the last two years.

Summary:

All three programs seem to be promoting the desired improvements and are all within budget. We will continue to closely monitor these programs in the coming months. Knowledgeable staff will be available at the Budget Committee meeting to answer any questions you may have.



Gary Deverell  
Safety and Training Supervisor

GD:km

M E M O R A N D U M

November 27, 1984

TO: Budget Committee Members  
 FROM: Accountant  
 RE: Mid-Year Budget Projections

Mid-year budget projections have been completed by District staff. The details of these projections follow this memo in chart and graph form. The projections differ from budgets by relatively small amounts as follows:

	<u>BUDGETED</u>	<u>PROJECTED</u>	<u>DIFFERENCE</u>	<u>%</u>
GENERAL FUND				
REVENUES	\$7,626,500	\$7,589,043	\$ (37,457)	(.49)%
EXPENDITURES	\$7,626,500	\$7,263,932	\$ 362,568	4.75%
EXCESS OF REVENUES OVER EXPENDITURES	\$ -0-	\$ 325,111	\$ 325,111	N/A
CAPITAL PROJECTS				
RESOURCES	\$7,608,418	\$6,973,994	\$(634,424)	(8.34)%
EXPENDITURES	\$6,021,344	\$5,479,403	\$ 541,403	8.99%
EXCESS OF RESOURCES OVER EXPENDITURES	\$1,587,074	\$1,494,591	\$ (92,483)	(5.83)%
RISK MANAGEMENT				
RESOURCES	\$ 395,649	\$ 430,128	\$ 34,479	8.71%
EXPENDITURES	\$ 363,300	\$ 368,200	\$ (4,900)	(1.35)%
EXCESS OF RESOURCES OVER EXPENDITURES	\$ 32,349	\$ 61,928	\$ 29,579	91.44%

GENERAL FUND

The most significant difference is in this fund. While total revenues show only a minor difference, the total includes \$145,000 under budget for passenger fares and \$107,000 over budget for payroll taxes. Year-to-date passenger fares are less than one percent above the prior year. The budget assumed a 7% increase over the prior year. While our ridership has shown large

increases during the same period, the lower weekend fare and special promotions associated with the new fall service have contributed to lower revenue than projected. Payroll taxes for the first two quarters of the fiscal year are 7% higher than last year after accounting for the change in tax rates. The budget projection is conservative in that it assumes that there will be no increase over the prior year for the balance of the fiscal year. At this point, it is difficult to estimate the effect on our payroll taxes from Weyerhaeuser's employee layoffs and thus we feel that a conservative approach to payroll taxes is prudent.

There are three significant differences in expenditures. The first of these consists of \$140,000 for driver and mechanic positions which were budgeted due to the service increases and which have not been filled. Secondly, since there are no budget shortages in operating areas, the \$71,000 contingency will not be needed. And finally, certain budgeted capital projects will be carried over into the next fiscal year which reduces the need for a loan to the capital projects fund by \$106,000.

#### CAPITAL PROJECTS FUND

The differences in this fund are due to a lower than anticipated carryover from the prior year and capital projects which will be carried over into the next year. The difference in expenditures drives the differences in grant revenues which fund 80% to 88% of our capital projects.

#### RISK MANAGEMENT FUND

The increase in resources is due both to a higher carryover from the prior year than anticipated and interest revenues. The difference in expenditures results from the deductible on a prior year claim just settled. For other expenditures the projection reflects that until the year is over, we assume that our maximum liability could still be reached.

The projected surplus in the General Fund is the only difference which need be addressed by the Budget Committee. This amounts to \$325,000. In recent years surplus funds of this amount have been held in reserve for future concerns. One such concern is future year allocations from the federal government. If President Reagan is successful in reducing the \$900,000 the District receives in federal support, the District will need any surplus to offset future year expenses. Another use for any surplus would be as a transfer to the Risk Management or Capital Projects funds. Continuation of this policy would provide funds for future bus, facilities, and equipment acquisitions or would provide the transfer to the Risk Management Fund for next year's expenditures, as was done last year.

Another concern which may affect the District's budget is the opening of Willamette Street between 10th and 11th Avenues. If construction begins this spring, as is highly probable, we would incur expenditures for moving our downtown site on a temporary basis during construction as well as expenditures relating to the permanent opening of the street.

STAFF RECOMMENDATION

The staff recommends that the Budget Committee take no action on the budget surplus at this time. When the Budget Committee convenes this spring to deliberate on the fiscal year 1985-86 budget any surplus will be more accurate and can be allocated in conjunction with projections for the next year. We also will have more information on the Facilities Needs Study and the city's plans for the Willamette Street opening.

*Karen R. Rivenburg*

Karen R. Rivenburg  
Accountant



LANE TRANSIT DISTRICT  
 FY 84-85 BUDGET PROJECTION  
 NOVEMBER, 1984

	/-----ACTIVITY-----/				DIFFERENCE
	BUDGET AFTER SUPPLEMENTAL	JULY-OCT ACTUAL	NOV-JUNE PROJECTED	TOTAL PROJECTION	
<b>GENERAL FUND</b>					
<b>REVENUES:</b>					
PASSENGER FARES	1,485,200	383,046	956,266	1,339,312	(145,888)
CHARTERS	36,000	37,248	5,000	42,248	6,248
ADVERTISING	45,000	12,279	26,294	38,573	(6,427)
MISCELLANEOUS	5,000	1,120	2,240	3,360	(1,640)
INTEREST	150,000	60,207	99,793	160,000	10,000
PAYROLL TAXES	4,401,900	1,542,155	2,967,072	4,509,227	<b>107,327</b>
FEDERAL OPERATING ASSIST	1,043,400	0	1,050,761	1,050,761	<b>7,361</b>
STATE OPERATING ASSIST	450,000	86,351	349,211	435,562	(14,438)
OTHER GRANT REVENUE	10,000	0	10,000	10,000	0
<b>TOTAL</b>	<b>7,626,500</b>	<b>2,122,406</b>	<b>5,466,637</b>	<b>7,589,043</b>	<b>(37,457)</b>
<b>EXPENDITURES:</b>					
<b>ADMINISTRATION</b>					
PERSONAL SERVICES	409,400	135,601	264,766	400,367	9,033
MATERIALS & SUPPLIES	126,700	31,040	92,606	123,646	3,054
CONTRACTUAL SERVICES	83,000	20,825	52,754	73,579	9,421
<b>TOTAL ADMINISTRATION</b>	<b>619,100</b>	<b>187,466</b>	<b>410,126</b>	<b>597,592</b>	<b>21,508</b>
<b>MARKETING &amp; PLANNING</b>					
PERSONAL SERVICES	423,900	134,697	291,295	425,992	(2,092)
MATERIALS & SUPPLIES	129,000	58,703	70,000	128,703	297
CONTRACTUAL SERVICES	291,700	120,641	154,705	275,346	16,354
<b>TOTAL MKTG &amp; PLNG</b>	<b>844,600</b>	<b>314,041</b>	<b>516,000</b>	<b>830,041</b>	<b>14,559</b>
<b>TRANSPORTATION</b>					
PERSONAL SERVICES	3,638,100	1,128,040	2,437,415	3,565,455	72,645
MATERIALS & SUPPLIES	16,300	2,864	12,778	15,642	658
CONTRACTUAL SERVICES	12,000	1,212	3,700	4,912	7,088
<b>TOTAL TRANSPORTATION</b>	<b>3,666,400</b>	<b>1,132,116</b>	<b>2,453,893</b>	<b>3,586,009</b>	<b>80,391</b>
<b>MAINTENANCE</b>					
PERSONAL SERVICES	1,035,400	312,078	656,178	968,256	67,144
MATERIALS & SUPPLIES	912,200	280,383	633,738	914,121	(1,921)
CONTRACTUAL SERVICES	112,200	28,143	80,019	108,162	4,038
<b>TOTAL MAINTENANCE</b>	<b>2,059,800</b>	<b>620,604</b>	<b>1,369,935</b>	<b>1,990,539</b>	<b>69,261</b>
<b>UNALLOCATED</b>					
CONTINGENCY	71,000	0	0	0	71,000
LOAN TO CAP PROJ	175,000	0	69,151	69,151	105,849
TRANSFER TO CAP PROJ	190,600	190,600	0	190,600	0
TRANSFER TO RISK MGMT	0	0	0	0	0
<b>TOTAL UNALLOCATED</b>	<b>436,600</b>	<b>190,600</b>	<b>69,151</b>	<b>259,751</b>	<b>176,849</b>
<b>TOTAL EXPENDITURES</b>	<b>7,626,500</b>	<b>2,444,827</b>	<b>4,819,105</b>	<b>7,263,932</b>	<b>362,568</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>0</b>	<b>(322,421)</b>	<b>647,532</b>	<b>325,111</b>	<b>325,111</b>

LANE TRANSIT DISTRICT  
 FY 84-85 BUDGET PROJECTION  
 NOVEMBER, 1984

	/-----ACTIVITY-----/			TOTAL PROJECTION	DIFFERENCE
	BUDGET AFTER SUPPLEMENTAL	JULY-OCT ACTUAL	NOV-JUNE PROJECTED		
<b>CAPITAL PROJECTS FUND</b>					
<b>RESOURCES:</b>					
BEGINNING FUND BALANCE	2,282,207	2,189,724	0	2,189,724	(92,483)
UMTA SECTION 3	0	0	0	0	0
UMTA SECTION 5	2,775,504	0	2,775,504	2,775,504	0
UMTA SECTION 9	1,763,147	48,181	1,434,037	1,482,218	(280,929)
UMTA SECTION 18	88,440	0	46,200	46,200	(42,240)
FHWA	201,520	0	88,000	88,000	(113,520)
STATE ASSISTANCE	<b>120,000</b>	<b>24,356</b>	98,495	122,851	2,851
OTHER GRANTS	12,000	5,246	4,500	9,746	(2,254)
LOAN FROM GEN'L FUND	175,000	0	69,151	69,151	(105,849)
TRANSFER FROM GEN'L FUND	190,600	190,600	0	190,600	0
TOTAL RESOURCES	7,608,418	2,458,107	4,515,887	6,973,994	(634,424)
CAPITAL EXPENDITURES	6,021,344	64,977	5,414,426	5,479,403	541,941
EXCESS OF REVENUES OVER EXPENDITURES	1,587,074	2,393,130	(898,539)	1,494,591	(92,483)

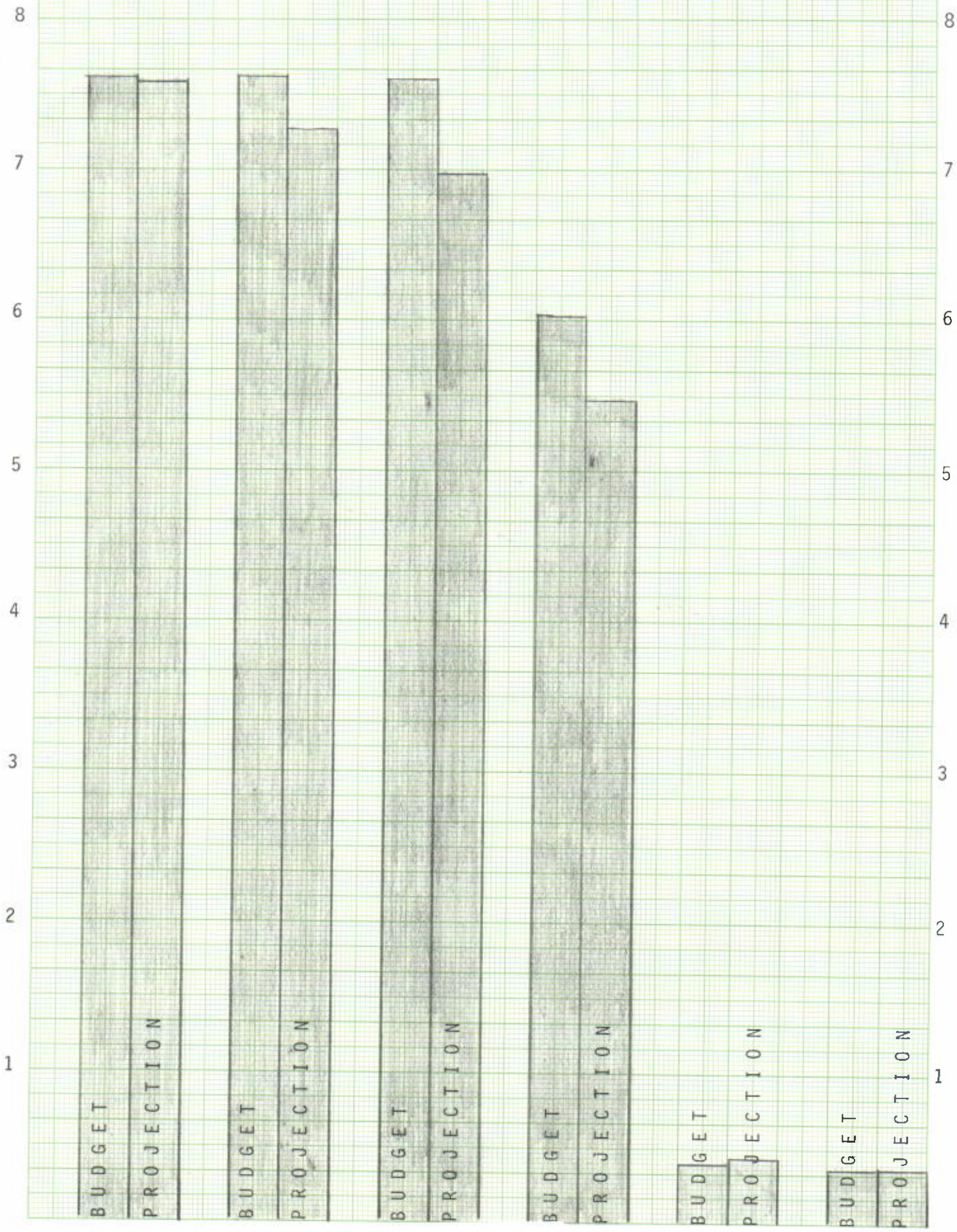
**RISK MANAGEMENT FUND**

**RESOURCES:**

BEGINNING FUND BALANCE	380,649	398,394	0	398,394	17,745
INTEREST	15,000	14,234	17,500	31,734	16,734
TOTAL RESOURCES	395,649	412,628	17,500	430,128	34,479
RISK MGMT EXPENDITURES	363,300	105,051	263,149	368,200	(4,900)
EXCESS OF REVENUES OVER EXPENDITURES	32,349	307,577	(245,649)	61,928	29,579



GENERAL FUND REVENUES    GENERAL FUND EXPENDITURES    CAPITAL PROJECTS FUND REVENUES    CAPITAL PROJECTS FUND EXPENDITURES    RISK MANAGEMENT FUND REVENUES    RISK MANAGEMENT FUND EXPENDITURES



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K&E 10 X 10 TO THE CENTIMETER, 18 X 25 CM, KUPFFEL & ESSER CO. MADE IN U.S.A.



M E M O R A N D U M

November 27, 1984

TO: Budget Committee Members  
FROM: Accountant  
RE: Supplemental Budget

The District is currently investigating safe harbor leasing in connection with our new bus acquisition. This is a federal program whereby we would sell tax credits relating to the new buses for approximately \$70,000. One of the requirements of this program is that we finance a certain portion of the purchase price of the buses. We are still investigating the requirements for the financing of the buses, but it appears that it would involve borrowing up to \$250,000 which would be repaid during the current year. Due to the fact that we can borrow money at tax-free rates to the lender, the interest earned on the loan would be higher than interest expense on the same amount. State budget law requires that a short-term borrowing fund be used for repayment of short-term loans. Therefore, the supplemental budget provides for a short-term loan in the general fund, with a transfers to and loan repayment from a new short-term borrowing fund.

*Karen R. Rivenburg*

Karen R. Rivenburg  
Accountant



LANE TRANSIT DISTRICT  
SUPPLEMENTAL BUDGET FINANCIAL SUMMARY  
FOR THE FISCAL YEAR 1984-85

GENERAL FUND

RESOURCES

Short-term Loan	\$250,000
Total Resources	\$250,000

EXPENDITURES

Transfer to Short-term Borrowing Fund	\$250,000
Total Expenditures	\$250,000

SHORT-TERM BORROWING FUND

RESOURCES

Transfer from General Fund	\$250,000
Total Resources	\$250,000

EXPENDITURES

Principal repayment	\$250,000
Total Expenditures	\$250,000