

MINUTES OF SALARY COMMITTEE MEETING
LANE TRANSIT DISTRICT BOARD OF DIRECTORS

February 4, 1992

Pursuant to notice given to *The Register-Guard* for publication on January 31, 1992, the Salary Committee of the Lane Transit District Board of Directors met on Tuesday, February 4, 1992, at 12:00 p.m. in the District conference room at 3500 E. 17th Avenue, Eugene.

Present: Janet Calvert
Tammy Fitch, Committee Chair
Thom Montgomery
Phyllis Loobey, General Manager
Mark Pangborn, Director of Administrative Services
Tim Dallas, Director of Operations
Bill Nevell, Personnel Administrator
Jo Sullivan, Recording Secretary

CALL TO ORDER: Ms. Fitch called the meeting to order at 12:20 p.m.

DISCUSSION OF FY 1992-93 STAFF SALARY AND BENEFITS
RECOMMENDATION: Ms. Loobey explained that the background materials handed out at the meeting were the basis for the staff recommendation. Staff had used the same review process as in previous years. A survey of salary changes at west coast transit districts and local public agencies was performed; the Portland and national Consumer Price Indexes were reviewed; discussions were held with Milliman and Robertson regarding LTD's retirement plan and its comparability to the Public Employee Retirement System (PERS); and employees were surveyed to find out what improvements they would like to see in salaries and benefits.

The Staff Salary Committee's recommendation to the Board Salary Committee was a two-part recommendation, regarding (1) salaries and benefits; and (2) a comprehensive salary survey and classification study. Last year, the Board Salary Committee had recommended to the full Board that a salary and classification study be done, but the Board had not approved the study. Ms. Loobey said that staff believed the study to be necessary at some point, especially since it had been seven years since the last one. Delaying the study could mean almost ten years between the last study and implementation of any recommendations from a new one. However, staff also believed that now was not a good time to perform the study, because of the as yet unknown effects of Ballot Measure 5.

Mr. Montgomery asked if it would be possible to allocate the money in FY 92-93 but hold off on the study until a better time. Ms. Loobey said that could be done, but might raise employee expectations that the study would be done in FY 92-93. If the money were not used in FY 92-93, it would be in the following year's budget, and could be allocated for the study or for another purpose. If the money were not allocated in a specific year but the Board believed it to be a good time for a classification study, the budget could be amended to allow the use of funds for a study.

There was some discussion about PERS. Ms. Loobey said that Tri-Met was no longer pushing for a change to PERS, so there would be no state-mandated change for LTD. In addition to a higher employer contribution to PERS, PERS also had an excellent long-term disability plan. The District's contribution to the employee retirement plan was currently 6 percent.

Ms. Calvert said she was always impressed with the continued quality of staff, and that LTD was run well because of the quality of the people running it. However, she also understood the need to be sensitive to the community.

Ms. Calvert moved that the Board Salary Committee recommend to the full Board a uniform adjustment to the salary schedule of 4 percent, at an annual cost of \$65,470, and an increase in the District's contribution to the retirement plan of 1 percent, as a percent of base salary, at an annual cost of \$17,022. Mr. Montgomery seconded the motion, and the motion carried by unanimous vote.

Ms. Fitch said she appreciated the need for a salary and classification study, but said she would like to delay that action. She thought any information gathered now would not be reliable, and that things could change drastically in the next 18 months, due to the impact of Ballot Measure 5. However, she said, if any one group was very disgruntled or there was an area with high turnover, the District could possibly look at those areas. Ms. Loobey replied that there was not a lot of turnover, partly because there were not a lot of jobs for the District's technical employees to go to without moving out of the area. Ever since the recession of 1980, employees had been holding onto their jobs, and LTD's turnover rate was probably lower than 5 percent. However, she said, the District recently did have some problems in hiring people, and had to hire at the second or third step of the salary schedule to even match the wage the applicant was earning elsewhere, and then that employee would reach the top LTD step within a short period of time and have no opportunities for advancement.

Ms. Calvert moved that the Committee postpone a recommendation on a comprehensive salary survey and classification study; that the study not be recommended for funding in FY 92-93. Mr. Montgomery seconded the motion. He said he would like to see a statement that the Committee recognized that performing such a study was an issue that the Board needed to address in the future. He thought the Board should be told that the question was discussed, and that the Committee believed that now was not the appropriate time for the study, but that there would be a time when it should be done. Ms. Fitch added that the Committee would like to see the salary and classification study in the recommendations for FY 93-94.

There was no further discussion, and the motion carried by unanimous vote.

ADJOURNMENT: There was no further business before the Committee. The meeting was adjourned at 12:55 p.m.


Recording Secretary