

**MINUTES
BUDGET COMMITTEE
LANE COUNCIL OF GOVERNMENTS**

Thursday, April 20, 2006
Small 4th Floor Conference Room
Lane Council of Governments Office
99 East Broadway, Suite 400
Eugene, Oregon

LCOG Board Chair, Gary Williams, called the meeting of the LCOG Committee to order at 5:30 p.m. Committee members in attendance were: Anette Spickard, John Sullivan, Gary Williams, Ron Murphy, Wayne Lottinville, and Greg James. Staff members present were Bob Swank, Kay Metzger, Byron Vanderpool, Ann Mortenson and George Kloeppe.

Committee members and staff introduced themselves.

Approval of Minutes

The minutes of the May 19, 2005 meeting of the Budget Committee had been distributed with the meeting agenda. Mayor Williams asked for any additions or corrections. There being none, Greg James moved, seconded by John Sullivan, that the previous year's meeting minutes be approved as prepared. The motion passed unanimously.

Election of Officers

Mayor Williams asked for nominations for the office of Chairperson. John Sullivan was nominated. There being no further nominations, John Sullivan was elected Chairperson. Nominations for the position of Secretary were opened and Greg James was nominated. There being no further nominations for the office of Secretary, Mr. James was elected.

Budget Background and Trends

Associate Director Bob Swank outlined the budget process, approved by the LCOG Board of Directors in December. He noted that there were expected to be two meetings of the Committee. This first meeting, he said, would include a consideration of the proposed *Revised Budget* for fiscal year 2005-06, and a

presentation of the proposed budget for fiscal year 2006-07. Swank called the attention of the Committee to four graphs depicting the agency's financial circumstance over time. Included were graphic representations of revenue by source, expense by year, staffing (FTEs) since 1990, and budget size by division since 1993.

The Committee asked questions about the underlying fiscal structure of LCOG. It was noted that the agency has a very small general fund and that most of the activities in the work program are supported by very specific grants and service contracts.

Recommended 2005-06 Revised Budget

The recommendation for a current year budget revision had been provided to members of the Committee in the advance mailing. George Kloepfel noted that his observations about the patterns of change that necessitated a budget revision before the end of the fiscal year were included in his two and a half page "Comment and Recommendation" narrative. He stressed that the change that was recommended, while an increase from the annual budget that was adopted by the Committee and the Board of Directors ten months previous, was primarily attributable to the inclusion of an LTD Student Bus Pass Program which did not impact agency staff size. Kloepfel noted that the proposed revision would increase the agency's budgetary authorization for the current fiscal year by \$4,636,475, to a new total of \$28,183,370. He called the attention of the Committee to the Budget Summary on page 7 of the proposal and noted that resources from the federal government were now expected to be lower, while state government resources would be higher than originally anticipated. Local revenue, identified in the proposal, would be up approximately 8 percent. On the expense side, Kloepfel noted that the Revised Budget proposes a decrease of \$667,554 for staffing expense and a decrease of 10.9 FTE. He highlighted the recommended changes at the division level. Swank noted that the continued vacancies in the agency-owned office buildings in Eugene and Springfield accounted for some of the budget reduction. Questions were asked and answered regarding the loan program and the cuts in the S&DS budget. Staff was asked to provide more information about the loan program at the next meeting.

After some discussion, it was moved by Anette Spickard, seconded by Ron Murphy, that the proposed *Revised Budget* for fiscal year 2005-06 in the amount of \$28,183,370 be recommended for adoption by the LCOG Board of Directors. The motion was approved 6-0.

Proposed Fiscal Year 2006-07 Budget

Bob Swank distributed the proposed budget for the year which would begin July 1. He noted that no decision was requested of the Committee at that point, but that the Committee would be asked to approve the proposed budget at its May 19 meeting. The approved budget would then go to the Board of Directors for public hearing and action in June. The format of the document was described. Kloepfel indicated that the work program narrative for each service area was published adjacent to the service area budgets. Swank drew the Committee's attention to the listing of funded classifications on page 40, the glossary of terms beginning on page 42 and the Budget Assumptions, approved by the Board of Directors and found beginning on page 44. The Committee discussed and asked questions about the proposal.

Public Input

No members of the public were present.

Adjournment

It was noted that the next (and final) meeting of the Committee was scheduled for May 18 at 5:30. Greg James reported that he would be unavailable for participation in that meeting. The business of the Committee being completed, the meeting was adjourned at 6:40 p.m.