

Agenda Item Number 4.

Report of the Executive Committee

Presenter: George Kloepfel

Action Recommended: None. Information Only

Meeting Notes:

Meeting of October 21, 2004

The LCOG Executive Committee met on Thursday, October 21. Members present for the meeting were LCOG Board Chair Jerry Miller, Mayors Gary Williams and Warren Weathers and Director Alan Laisure. Staff members attending included Bob Swank, Byron Vanderpool, Ted Stevens, Jamon Kent, Ann Mortenson and George Kloepfel.

- **December 2004 Board Meeting Items:** The Committee reviewed a preliminary summary of the items that were expected to come before the Board of Directors on December 9. Particular attention was given to the proposed dialogue with members of the Lane County legislative delegation. It was agreed that invitations would be sent immediately after the election and that the dialogue—focusing on “local control”—would be scheduled to begin at 8:00, after the Board’s business items had been addressed. There was also agreement that an advance indication of what LCOG is and what priorities the Board members had identified (in July) should be provided to the delegation with the invitation. Although Commissioner Morrison was not present, her comments regarding the dialogue were conveyed to the Committee. By phone, she had indicated to George Kloepfel that she felt that the session was unnecessary; that it would duplicate the efforts of the state associations; and that it could confuse the legislators. After discussion, there was agreement that the dialogue should be conducted on December 9, and that the members of the Board should be asked to pose questions or express their concerns or priorities for the upcoming session in round-robin

fashion at the beginning of the dialogue. The legislators would then be invited to respond to the points raised.

- **First Quarter Financial Report:** To be considered by the Board as a Consent Agenda item, the Report was reviewed by the Committee.
- **FY 2005-06 Member Dues Schedule:** A memo from George Kloepfel summarized the recommendation for dues in the coming year. Kloepfel proposed maintaining the same structure for member assessments and adding an inflation factor to the rates. The CPI-driven rate proposed was 2.65 percent. Commissioner Morrison’s comments (conveyed by phone and summarized in writing for the Committee) suggested that the County’s ability to pay the full dues amount assessed in the current fiscal year was not great and that it would be difficult in FY 2005-06 as well. The Committee discussed the proposed inflation factor, and Kloepfel indicated that the factor provided the greatest policy choice for the Committee and the Board. He said that the 2.65 percent was drawn from the “August 2004 CPI-U for US” data. It was understood that the Committee would have an opportunity to revisit the issue of member dues at its November 18 meeting and would then provide a recommendation to the Board of Directors for consideration on December 9.
- **Budget Process and Assumptions:** It was noted that the Committee would be asked in November to endorse “Assumptions” and a process for the development of the FY 2005-06 agency budget. Kloepfel presented the initial draft of a document that included proposed assumptions. He noted that the most important drivers of the budget were associated with personnel, and that specifically a cost-of-living salary adjustment (COLA), health insurance premiums, and PERS were most significant. He stressed that the agency has maintained the value of attracting and retaining the best possible staff, and that, when funding is insufficient, he would recommend “thinning the soup” with staff reductions, rather than allowing the compensation system to become uncompetitive with the market place. Kloepfel noted that, based upon the published CPI data and the COLA adjustments anticipated in the larger member jurisdictions, he expected to recommend a COLA of 2 percent—prior to the collective bargaining process. Increases of approximately 4.7 points (to a new employer rate of 12.26) for PERS were anticipated; and an “industry standard” rate increase for health insurance in the area of 15 percent might be experienced. He noted, however, that while PERS costs for the new year, while still unknown, would not be subject to

local control, the employer's health insurance costs would be impacted by the collective bargaining process with two unions. The Committee discussed the draft assumptions. Bob Swank noted that proposed assumption number 5 would limit the total increase in personnel cost to 6 percent. The Committee is expected to revisit and take final action on the "Assumptions" at its November 18 meeting.

- **Disabilities Services Advisory Council, Bylaws Amendment:** Ted Stevens reviewed the recommended amendments to the DSAC Bylaws. He noted that, under the newly established division of responsibility, the Committee, rather than the full Board, was charged with approving such changes. The DSAC had recommended that it be allowed to appoint up to five "Community Representative members" each year. Such "Community Rep" members would have seat and voice, but no vote; nor would such members contribute to establishing a quorum at DSAC meetings. To accomplish this change, amendments had been proposed in six separate articles of the existing Bylaws. After discussion, the Committee unanimously approved the proposed Bylaw changes.
- **Revolving Loan Fund, Administrative Work Plan:** It was noted that the recent grant of \$500,000 from the federal Economic Development Administration (EDA) required that the Board approve a "work plan" for the revolving loan fund capitalized by the grant. It was reported that the proposed plan and adopting resolution were not yet available—negotiations still being underway with EDA—and that a Committee advisory recommendation to the Board would be sought at the November 18 meeting.
- **Public Safety District, Range of Costs:** Board member Dennis Shine, LCC, had requested that the Committee receive a preliminary assessment, prepared by Lane County administration, of the potential costs to, and functional applications of, a public safety district. The "Draft Work Paper" was distributed and discussed. It reflected possible "restorations" in the Department of Youth Services, District Attorney's Office, Sheriff's Office, and Health and Human Services Department. The data contained in the paper were discussed. The subject of a Public Safety District having been addressed by the Board in September, the Committee did not determine that another session was needed until the Board of County Commissioners decides about moving forward with a district.

Meeting of November 18, 2004

The LCOG Executive Committee met on Thursday, November 18. Members present for the meeting were LCOG Board Chair Jerry Miller, and Mayors Gary Williams and Warren Weathers. Staff members attending included Bob Swank, Byron Vanderpool, Ted Stevens, Jamon Kent, Ann Mortenson and George Kloepfel. The Committee addressed the following:

- **December Board Meeting:** A draft of the agenda for the Board of Directors' December 9 meeting was reviewed; the Committee gave approval to the proposed approach for the "Legislative Dialogue," but asked that staff solicit the Board in advance to be thinking (and talking with one another) about the issues that should be raised—particularly those with multi-jurisdictional implications (schools/cities, etc.).
- **FY 2003-04 Financial Statements:** Reviewed with Bob Swank excerpts from the Financial Statements to be presented for Board approval on December 9.
- **FY 2005-06 Member Dues:** The recommended Member Dues Rates, slated for consideration by the Board on December 9 were considered; the Committee recommended approval of maintaining the existing structure and applying a 2.65 percent inflation factor to the rates.
- **Budget Assumptions and Process:** The Executive Committee approved the recommended Budget Process and Budget Assumptions for FY 2005-06.
- **February Board Discussion of Infrastructure:** Committee members discussed possible approaches to the "special" topic for February, Public Infrastructure. It was suggested that staff solicit additional topical input from the Board in the form of general questions and that, prior to the February 24 meeting, these questions, or topical areas, be summarized and distributed to stimulate discussion. Illustrative topics for consideration that were mentioned include consolidated or shared engineering services, financial strategies, sharing of innovative techniques. It was agreed that the subject would be raised at the January 18 Regional Managers' meeting.

- **Business Loan Programs:** The Committee heard a brief report, as had been requested at the previous meeting, on the loan programs of the COG. A summary of the business assistance loans made through both the SBA Section 504 program and LCOG's USDA-funded RBDF program was presented.
- **Revolving Loan Program Administrative Work Plan:** Scheduled for consideration by the Board at the December 9 meeting, the work plan for the use of the \$500,000 Economic Development Administration (EDA) grant (and related match money) was presented to the Committee. EDA has required Board approval of the work plan prior to the initiation of the program. Staff will solicit the comments and recommendation of Committee members, after an opportunity has been provided for the members to digest the document, and the Committee's recommendation will be conveyed to the Board in December.
- **Appointments to the LEC and LAC:** The Lane Economic Committee (LEC) had recommended the reappointment of Dean Hansen and Hal Reed, and the appointment of Robert Ball, to the Loan Administrative Committee. The LEC had further recommended the reappointment of four of its members and the appointment of one new member, Ms. Ellen Teninty. Commissioner Morrison, who was not present, expressed opposition to Ms. Teninty's appointment. By motion (Weathers and Miller) the Executive Committee approved the appointment recommendations pertinent to both the LEC and the LAC.
- **SDS Funding:** The Committee was informed that United Way of Lane County had completed its review of LCOG's application for membership for its Senior Connections and Senior Meals programs. Both programs were certified. Ted Stevens indicated that it was possible that there would be some financial support as early as July 2005, but that it was more likely that United Way support would be available the following year. It was also reported that the October Meals on Wheels fund-raising event at Mazzi's in Eugene had raised \$2,300 for the program. It was also reported that the retail store, Down to Earth, in Eugene would assist the Meals Program on November 28 with 5 percent of its sales from both stores being contributed.