

**Travel Information Council
Finance Committees
Telephonic Meeting
Monday, June 9, 2014**

Members Participating:

Mike Drennan, Member-at-Large

Bob Russell

Members Absent:

Gwenn Baldwin

OTE Staff Participating:

Kyle Walker, CEO

Tim Pickett, COO

Jenn Smith, Executive Assistant

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- A) **Roll Call:** Drennan and Russell were present.
 - B) **Approval of April 3, 2014 minutes:** Russell made a motion that the minutes be approved starting with section B – the Moss Adams report. Drennan 2nd; motion passed unanimously.
 - C) **Approval of May 9, 2014 minutes:** Russell made a motion to accept the minutes with the discussed changes. Drennan 2nd; motion passed unanimously.
 - D) **Discussion of Future Minutes:** Drennan and Russell requested staff take notes and provide written minutes of the Committee’s meetings.
 - E) **Monthly Financial Review:** Drennan noted that the revenues comment should say below – not above. Pickett acknowledge the change and noted that the revenues falling short will be a temporary situation and will re-set with the amended budget.

Drennan reviewed the Financial Statement. The General Funds target reserves is at \$750,000. He asked if this was on top of working cash. Pickett responded that the goal was to have working cash on top of a \$750,000 reserve. Russell asked if this was the same amount as the Rest Area program since it is a significantly larger program. Pickett gave the example of the HUB concept – the funds cannot come from highway funds and having that level of reserve would show the bank assets in case the need for a loan arises or the Treasury Department if bonds are requested.

Drennan agreed that 3 months of operating funds was fine for a target. He requested he would like to have a line item for “General Reserves” on the May statement and start it with \$250,000 for general funds and \$750,000 for rest areas.

Drennan then asked staff to look at alternatives to increase the return on the reserves.

Drennan requested that staff and Council use the Department of Justice less and work to solve issues internally.

Drennan commented that the Actual Year-to-Date for non-rest area income was about \$11,000 loss. Pickett replied it is based on what the Sign department is doing – replacing a board and expensing out the new board. The Sign department is now planning sign maintenance and training the crew when and how often things need to be taken care of. Additionally, John Haffner is now inspecting all sign installations and this is saving money.

Russell commented that he liked the explanatory statements in the report.

Drennan asked the question about tax relief for the rent. Pickett explained that a state agency leasing private property is exempt from the property tax portion.

Drennan asked why the repair and maintenance line item is below budget. Pickett said staff has held off on some things due to timing. Additionally they are concerned about the I-5 rest areas and the plumbing under the freeway. Staff is currently developing a plan on how to best proceed.

Drennan noted that the Utilities: Water line item should say it is over budget.

Drennan asked for clarification of the Payroll Expense bullet. Pickett explained that managing our payroll as currently set up is labor intensive. Staff is in conversations with ADP to integrate payroll input process with a review process. The goal is to streamline and save money.

F) Other Business:

- a. Drennan asked about the timing of the sign fee change notification. Pickett said Diane Cheyne has re-developed the sign structure and is now above a loss position.
- b. It was agreed the Finance Committee would attach a financial re-cap to the entire Council with Walker's monthly update – after the Finance Committee has reviewed.

The Finance Committee would like to meet between the 20th & the 1st of the following month.

It was also agreed that when staff sends out the financial statements to the Committee, a Doodle Poll will be included to schedule a meeting.

Adjournment: Meeting was adjourned at 10:54 am.