



# Oregon Travel Information Council

1500 Liberty Street SE, Suite 150  
Salem, Oregon 97302

## MINUTES

### Finance Committee

Wednesday, May 24, 2017

#### Members Participating:

Mike Marsh; Mike Drennan; Bob Russell

**Members Excused:** Gwenn Baldwin

#### OTE Staff Participating:

Nancy DeSouza, Executive Director; Tim Pickett, Operations Director; Diane Welter, Accounting Manager; Jessica Carbone, Office Assistant

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The meeting was called to order by Marsh at 2:05 p.m., at the OTE offices in Salem, OR.

**Roll Call:** Marsh and Russell were present by phone. Drennan and staff were present in the office.

**Approval of the Minutes:** Drennan moved acceptance of the May 3, 2017 minutes as submitted. Marsh seconded. The motion was passed unanimously.

#### Business:

**April Financials:** Welter reported there was solid performance this month. We are in a good cash position. There is an increase in travel to rest areas expected due to summer travel. Departments are holding to budget overall. Drennan asked how lower travel in rest areas during winter months would affect Operating Supplies. Welter responded that lower travel affects supply needs such as demand for toilet paper and water usage. Drennan then asked for clarification under Repairs and Maintenance on seasonal covers on signs. Pickett clarified that if our customers are closed for longer than a month covers are placed over their directional signs until they open again. An example of this would be wineries that are closed after Thanksgiving until Memorial Day.

Marsh asked if information he requested comparing cost of using vehicles provided by motor pool compared to purchasing our own vehicles would be completed once May financials were added to the total. Pickett said it would include May information along with some discussion at the executive level on potential changes to the current vehicle usage model. DeSouza added that currently each rest area supervisor and specialist has a company vehicle assigned to them. They have to pay tax on mileage to and from their home, but they are allowed to commute in their vehicles. This model's cost has greatly increased and may need to change in the future. Executive staff will also discuss what types of vehicles are necessary for staff in certain locations and how to keep the vehicles stored at rest areas safe.

Marsh spoke to his discussion with Pickett and Welter that rest area staff, with current cost and more experience, has been able to make a better estimation of Water and Sewer cost in the upcoming budget.

Those staff members who did not provide the proper analysis or were negligent in their duties the previous year will have those things reflected in their performance evaluation. Drennan asked if the Water and Sewer category had been greatly increased in the next budget due to this year's expenses. Pickett said the next budget overall is relatively the same. Staff has stated that major expenses have been driven by one time anomalies. DeSouza notified the committee that in the coming future Three Rivers School District wants to negotiate a higher rate for continued access. Negotiations will involve ODOT since they are the land owners. Travis Brouwer is ready to start talking, but conversations won't start for at least 60 days. This will mean some adjustment to the budget after it has been adopted. Marsh asked what expenditure contributed to the spike in Network cost. Welter said it was due to a one time cost for some re-work on SAP to speed up printing our invoices from 24 plus hours to just minutes.

**Statement of Revenue:** Drennan ask for a reminder on what Payroll Tax-other is for and the reason why it is so under budget. DeSouza said that category is for unemployment claims, which due to better documentation and management by staff, approved payouts have been kept to a minimum. Welter suggested she change the name of the category to make it clear.

**Past Due Accounts:** Welter said one customer, Maryhill Winery, is always behind on their payments. They make just enough payments to stay out of trouble, but never fully pay off their balance. In discussion with the sign crew it has been decided to discontinue their service in kiosks until they are caught up on their 90 day past due accounts. DeSouza said there is discussion to add a late payment fee to encourage on time payment.

#### **New Business:**

**Capital Projects:** Pickett said that Nash has continued working with the team at Deadman Pass and weather has improved enough that investigations have found that there are no new issues with the well and the project should proceed this summer. This will require notification to ODOT, to the Water Bureau and the Consolidated Tribes of the Umatilla Indian Reservation. A cultural representative will need to be on site for the project. It should be completed for another \$8,000 - \$10,000. Drennan asked if this was in addition to the \$27,000 already spent. Pickett said it was, but total money spent was over an extensive amount of time. Once the project passed \$25,000 a retroactive approval was gained from Council. Staff will also go before Council for approval for additional funds needed once an estimate has been received.

DeSouza updated the committee on progress of the Manzanita project. The contract has been fully executed. It looks like it may take a bit longer than planned for Oregon Water to get the new tank. We are giving regular updates to the school board and ODOT has been briefed. She also said that once the system is repaired and is fully functional, the discussion of future rate increases will include dividing the additional cost to pump out excess material in the pond, due to grinder pump by-pass. ODOT has agreed to be part of the discussion.

DeSouza then updated the committee on negligent actions of the Gettings Creek Supervisor that led to over spending paving on pathways and picnic pads by \$10,000. The error was found by the accounting team. The bills have been paid for work done. That Supervisor is no longer in our employ. Welter will be adding a new graph showing month-to-month expenses to the meeting packet.

**Legislative Topics:** ODOT has requested information on a new proposal from a representative to find funds to update existing pit toilets and build a new rest area along Highway 20. DeSouza reiterated to ODOT that what OTE is requesting is secure and stable funding to operate rest areas we operate now, but we are open to further discussion. SB 989 has been rolled into the transportation package SB 2017.

There has also been a request for estimates on capital maintenance and improvement projects for any current and new rest areas for 10 years out with the expectation work would be front loaded to get as much done as soon as possible.

**Adjournment:** The meeting adjourned at 2:47 p.m.

**Next Meeting:** Thursday, June 28, 2017 at 2:30 p.m., telephonic at the OTE Offices, 1500 Liberty St. S.E. Suite 150, Salem, OR 97302.