



# Oregon Travel Information Council

1500 Liberty Street SE, Suite 150  
Salem, Oregon 97302

## MINUTES

### Finance Committee

Wednesday, September 26,  
2018

#### Members Participating:

Mike Marsh; Mike Drennan; Ed Washington

#### Absent:

Bob Garcia

#### TIC Staff Participating:

Tim Pickett; Diane Welter; Vicki Vargas

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The meeting was called to order by Marsh at 2:32 p.m., at the TIC offices in Salem, OR.

**Roll Call:** Marsh, Washington and Drennan were present by phone. Staff were present in the office.

**Approval of the Minutes:** Marsh proposed inserting a space between French Prairie and the word but in the sentence “fee for French Prairiebut”. Drennan proposed correcting “asses” to “assess” in the same sentence and then adding “the” to “Pickett said that July reports”. Washington made a motion to approve the minutes with the proposed corrections. Drennan seconded the motion. The motion was carried.

#### **Business:**

**August Financials:** Welter said August retention was \$327,691 which is \$58,000 better than budget for the month and about \$70,000 better than YTD. Work preparation for the 2019 - 21 budget has begun. Requests for information have been sent out to all units and staff are currently working on planned expenses. The purchase of 3 Ford F-150s and 5 F-250s for \$225,000 from DAS motor pool for the new rest areas and a couple of other capital projects were completed after the report date. The cash-based investments will appear in September financials. Drennan asked if it was required that we purchase these vehicles through the motor pool. Pickett said it is not required, but the agency received significant cost saving per vehicle by purchasing through the motor pool. Motor pool will also manage and maintain the vehicles for \$14 a month. Drennan asked if the agency needed to purchase any more vehicles. Pickett said that there will be some future purchases for rest areas coming on in 2019, but the project is well under budget.

Marsh asked if a draft budget would be ready to present to Council at the December meeting. Pickett said it would. Marsh also wanted to clarify the process for capital projects that show signs of going over budget. Pickett explained the internal process for project management and review. The committee requested that any project that met the need for Council approval, come before the committee first, so they could provide a recommendation to Council before they vote.

**Financial Statement Analysis:** Marsh said Rest Area Capital Expenditures are showing significantly under budget, but this will change as bills come in and funds process through Construction in Process. Pickett also

reminded the committee the budget was forecast with the Southbound Oak Grove project underway in the period. That project has since been combined into the larger Oak Grove project.

**Balance Sheet:** The committee discussed the possibility of moving some available funds into timed certificates of deposit. Pickett said staff will do an intensive investigation and explore that option.

**Statement of Revenue:** Pickett said that the incorrectly billed invoice from DOJ has been corrected. Marsh had a question on Account 6302. He asked why there was a \$1000 per month budgeted for Victory Group. Pickett said that the Victory Group contract has been canceled. The funds in Account 6302 and 6303 are budgeted in case of any need for outside services. Drennan asked why Wages continues to be over budget. Welter said that August had 184 hours instead of 160 hours and there was a high number of vacations that needed to be covered as well. Pickett added that Legarza is analyzing the amount of time that fill-in personnel are going to be required during the upcoming year based on experience. The current budgeted hours were too low.

**Past Due Accounts:** Marsh asked why there was such a high number of sign removals in August. Welter clarified that most of these removals were at customer request. On future reports, Welter will clarify the signs removed by customer request. Welter and Pickett explained the sign billing process.

#### **New Business:**

**Legislative Presentation:** Pickett said the presentation Director Denno completed before the Joint Committee on Transportation went well. Denno covered the locations of the rest areas covered in HB 2017. He spoke to the positive experience working with ODOT in the transitioning of the rest areas and with OPRD in transitioning their locations coming on in July 2019. He also mentioned the Faithful-Gould report that will be used in strategic asset management, the plans for the Oak Grove expansion, examples of capital projects that have already been completed and the implementation of Opiniator.

**Administration Office Lease:** The lease for the administration office was crafted with a locked inflation of three cents per foot per year. That has been about 1-1.5% per year. The church is hopeful that the TIC will extend the lease for another 10 years. As an incentive for TIC to stay the church has offered the same terms. Some clarifications and conversations, such as the future maintenance plan, are needed to make a final decision. Pickett asked the committee if they recommend staff pursuing further information in order to bring this before Council. Drennan asked if the Board of Optometry was still subleasing part of the office. Pickett said the OBO's current sublease is good for another two years, but they have mentioned they are willing to move if TIC needs the space. After a discussion of current leasing rates, the committee recommended going forward with pursuing further information on a new lease for the current building.

The committee discussed the possible agency name change. Pickett then informed the committee that as a member of Oregon Emergency Response System Director Denno will be taking part in the Governor's table top exercise on Oct. 17.

**Adjournment:** The meeting adjourned at 3:48 p.m.

**Next Meeting:** Wednesday, October 24, 2018 at 2:30 p.m., telephonic at the TIC Offices, 1500 Liberty St. S.E. Suite 150, Salem, OR 97302.