**Travel Information Council**

**Finance Committee**

**Telephonic Meeting**

**Wednesday, December 2, 2015**

**Members Participating:**

Mike Drennan, Chair; Gwenn Baldwin; Mike Marsh

**Members Excused:**

Dave Lohman

**OTE Staff Participating:**

Nancy DeSouza, Executive Director; Tim Pickett, Operations Director; Annie Von Domitz, Community Assets

The telephonic meeting was called to order at 2:02 p.m.

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

**Minutes of October 12, 2015 and November 4, 2105**: Approved unanimously as submitted.

**Review of October 2015 Financials:** Pickett reviewed the October Financials. Overall, we are slightly below budget. Revenues are slightly ahead of projections. Accounts receivable is expected to have no past due accounts in December. The current ratio is up again in November, but Pickett cautions that won’t continue. In January, the ODOT funds transfer will reflect the forward liability. This is an annual cycle. The ratio will likely be in the 1:1.2 range or slightly better on the January statement. Drennan pointed out the cash position of the organization is strong. Pickett explained the Petty Cash balance of approximately $35 to cover Postage Due and other minor expenses to avoid writing small checks.

Baldwin asked about the Information Centers and Kiosks and the status of the related accounts. Pickett explained the difference between estimated budgets and actuals overall, given the elimination of the Woodburn and Lincoln City locations. DeSouza explained that the revenues dropped from original projections for these sites, but that this will balance out with reduced costs. Drennan asked Pickett to include an update on remaining locations in the packet for the next Finance Committee meeting. Pickett pointed out that the projections for Information Center revenues are estimates, and that as staff focuses on increasing profitability of various locations, we will have better information for making strategic decisions on individual kiosks’ financial viability. DeSouza discussed Maddie MacGregor’s work with customers from the two eliminated kiosks to move to other locations, and work will continue with other potential customers. There may be future investments required to maintain and improve specific kiosk structures. Sign Program staff are analyzing the structures’ status over the next few months and update the Council in 2016.

Pickett and Von Domitz discussed the Roadside Council account, and that it is fully reconciled. It is a restricted fund for markers placed by the group, which terminated and transferred maintenance funds to TIC. The other two heritage program funds are being reviewed by Pickett. The Interpretive Wayside Fund was originally created by the TIC, and he and staff are researching the status. Von Domitz said the Interpretive Wayside Fund pre-dates her tenure, and she believes it was originally created to provide more Oregon Trail interpretive tourism information in Eastern Oregon, not limited to public lands. This was not done, and the money remains in the account. Several Oregon Trail markers in rest areas are in great need of reconditioning, and Von Domitz suggests this may be the best use for these funds if the funds are not reallocated elsewhere. Local tribes could be involved to update these markers, which would likely be supported by the Eastern Oregon Visitors Association.

The nonprofit that installed the Oregon Trail markers is defunct, and those markers are now the responsibility of the owners of the property on which they stand. Von Domitz said the Marker Committee is discussing the system of markers and how to better incorporate markers with the rest areas to create “heritage hubs” to better serve communities and travelers. This fund could help support these efforts and meet the goals of the Council and the agency’s mission. There is approximately $36,000 in the account; Baldwin suggested the agency may wish to pursue matching funds from sources such as the Oregon Community Foundation to update and replace the aging panels. Pickett said he and Von Domitz are researching any restrictions and will confirm with DOJ the ability for Council to use or move those funds.

Drennan asked about small equipment and tools inventories. Pickett explained that account exists to track a running inventory of equipment and tools in the rest areas, and allows management to hold staff responsible for the stewardship of that equipment.

**Profit and Loss Statement:** Drennan asked about income from Allocated Funds from rest areas being less this year than last year. Pickett will research and report to the Committee. Drennan asked about depreciation issues in the report. Pickett explained that signs have not yet been adjusted out for the replacement value of the signs. The DAS Statewide Controllers office has not yet advised OTE on the adjustment of assets less than $5,000 that are already on the books, but no new assets below that threshold are being added. With that answer, staff will be able to finalize the depreciation estimate.

**Other Business:**

**Accounting Manager Temporary Need:** DeSouza discussed the need for assistance with accounting at a level between Pickett and Accountant Michelle Roth. Workload is exceeding Roth’s capacity, particularly following the elimination of the Accounting Director position in 2013 and Pickett’s increased involvement in policy and operational issues to meet Council’s goals. He also has absorbed some of the workload from the eliminate Rules and Policy Analyst position. Staff requests that the Committee move to the Council at its December meeting an amendment to the biennial budget for a limited-duration 0.6 FTE accounting manager position through the end of the biennium. As the biennium progresses, the agency will be able to evaluate long-term resource needs. Marsh discussed the value of using limited duration positions, so long as the agency develops a long-range plan to meet the needs of the agency. Pickett explained the format of the policy option package prepared to add this position to the budget that is now out for public comment.

**Sign Program Capital Maintenance:** Pickett briefly explained the capital discussions in the budget regarding the investments in signs and how those decisions are being made. The Council will have a presentation about the new 40-year capital maintenance plan by Pickett and Sign Program Administrator Diane Cheyne at the December meeting. DeSouza said this supports the Council’s instruction from the October meeting to evaluate the potential need for sign program fee increases.

**Government Relations:** DeSouza reported that the Executive Committee recommended a two-year sole-source contract to continue government relations by The Victory Group through 2017 to allow for continuity of services. The terms of the contract would remain the same, and the contract would not be renewable. This is within the proposed budget, and will be on the contracts approval list at the December Council meeting.

**Adjournment:** Meeting was adjourned at 2:58 p.m.