



**Travel Information Council**  
1500 Liberty Street SE, Suite 150  
Salem, Oregon 97302

MINUTES

Finance Committee  
Wednesday, January 30, 2019

Members Participating:

Mike Marsh; Ed Washington; Mike Drennan; Bob Garcia

Excused: Susan Steward

TIC Staff Participating:

Jim Denno; Tim Pickett; Diane Welter; Jessica Carbone

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The meeting was called to order by Marsh at 2:30 p.m., at the TIC offices in Salem, OR.

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

**Approval of the Minutes:** Washington moved to approve November 28, 2018 minutes as submitted. Drennan seconded. The motion carried.

**New Business:**

**November Financials:** Marsh clarified the reason behind the small increase of the Car Port Project. Personnel Costs are projected to be \$200,000 over estimated cost by fiscal year end (6/30/2019). That is expected to be offset by the savings in General and Administrative Expenses.

**December Financials:** Welter said the agency continues to show positive retention and ratios continue to improve. New customers continue to join the Sign Program. Drennan asked for further information about expected overages in personnel. Pickett said while staff did underestimate cost to cover employee time off, it is still the most affordable option to use temps to cover holidays instead of regular staff who would earn double time and a half. Staff has increased the hourly wage of temps to \$18.00 to compete in a stiff job market and find temporary coverage for rest areas in sometimes very remote locations.

Marsh asked staff to confirm there were no other locations going to insource landscaping besides the new rest areas coming on in July. Pickett said he was unaware of any current plans to insource landscaping at more rest areas, but if Legarza found a location where insourcing would be a significant cost savings she would make the recommendation.

**Financial Statement Analysis:** Drennan asked if progress was being made on capital projects. Pickett said the biggest delay was due to re-bidding the Oak Grove project. But, the bidding process and quality of the bid is vastly improved from the original.

**2019-21 Budget Review:** Marsh clarified addition of seven FTE personnel in the budget. There was one full time position for each new rest area, one full time position that would float between locations and five

technician or temporary positions that would equal three recordable FTE. The agency only has six PERS Tier 1 and Tier 2 employees, which represents 10% of the workforce. This goes along with implementation of employees contributing 6 % of their pay to PERS and the subsequent 6.95% raise, effective February 1, 2019. Marsh pointed out that there was an increase in personnel development, but that is expected with more employees and maintaining a consistent level of performance.

Marsh asked if the increase in DAS risk charges would be from now until half way through the next biennium. Pickett said no, the charges would go through the entire biennium. DAS sets their charges for 24 months. This new budget continues a 14% rest area overhead. Marsh pointed out a 20% increase in office supplies and that rent went up due to new mobile structures going into new rest area locations for office space. The fuel assumption is reasonable, expecting \$3.00 - \$3.25 per gallon.

Capital budget expectations by line will be available at the next finance meeting.

*Drennan moved to bring the 2019-21 Budget to Council for Adoption as presented. Garcia seconded the motion. The motion carried.*

**Adjournment:** The meeting adjourned at 3:30 p.m.

**Next Meeting:** Wednesday, February 27, 2019 at 2:30 p.m., telephonic at the TIC Offices, 1500 Liberty St. S.E. Suite 150, Salem, OR 97302.

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