



# Oregon Travel Information Council

1500 Liberty Street SE, Suite 150  
Salem, Oregon 97302

## MINUTES

Finance Committee  
Wednesday, October 24, 2018

### Members Participating:

Mike Marsh; Mike Drennan; Ed Washington; Bob Garcia

### 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, Garcia and Drennan were present by phone. Staff were present in the office.

**Approval of the Minutes:** Drennan proposed the following corrections to the September 26, 2018 minutes: placing “the” before motor pool in the sixth sentence under the August Financials, correcting “though” to “through” and adding “the” before motor pool in the seventh sentence, correcting “timed deposits” to “time certificates of deposit” under the Balance Sheet, correcting “complete” to “completed” in the first sentence under Legislative Presentation, and changing “rate” to “terms” in the third sentence under Administration Office Lease. Garcia made a motion to approve the minutes with the proposed corrections. Washington seconded the motion. The motion was carried.

### Business:

**September Financials:** Welter said September ended 3% better than budget. The YTD ended 9% better than budget. This is largely attributable to savings in the rest areas in Building and Landscaping Repairs and Maintenance and Water and Sewer. The rest areas are showing savings in utilities due to the lower costs of operation at recently added areas than estimated. Those savings are offset by higher than anticipated costs for temporary workers, yet the overall effect on retention is favorable. Accounts Receivable is in an excellent position, due to work by Sue VanHandel. Budget preparation for 2019-21 is on track. Accounting is currently reviewing all submitted department budgets. The budget is scheduled to come before the committee in December. Drennan asked Welter for clarification on personnel costs for September. She said there was some savings in personnel costs for regular status employees, but the over expenditure for temporary or “fill-in” personnel consumed the savings. Drennan asked why the expenses for temporary personnel could not have been better budgeted. Pickett said the agency can predict known personnel costs, but five new rests could only be budgeted by comparing them to similarly sized rest areas already in the program. Drennan asked why Non-Rest Areas personnel costs were over budget as well. \*He asked staff to keep a close eye on these accounts to avoid greater discrepancy. Marsh asked if there were any other rest areas with contracted landscape services being considered for insourcing. Welter said that she did not know of any in the near future. Pickett said there may be a need to contract out services for short periods in order to allow time to resolve systems investigations and corrections.

(\*The accounting staff will include a personnel analysis in at the November meeting.

**Financial Statement Analysis:** Drennan asked where Residual Operating Carry Forward was located. Welter said it was located on the Balance Sheet in Account 1033. Pickett said that those capital funds are separated from the capital funds given to the agency as part of HB 2017. This was done in case the Legislative Fiscal Office wanted a detailed report on how the HB 2017 funds were spent. Marsh suggested that removing the operating term from the accounts name for better understanding. The committee then discussed current DOJ practices and fees. Drennan asked if DOJ fees are depreciated. Welter said yes, any fees that are associated with getting a project started and completed are depreciated with the total cost of the project.

**Balance Sheet:** Drennan asked why Land Improvements – Rest Areas went up \$50,000. He then asked why the vehicles purchases for the rest areas were not visible on the Balance Sheet yet. Marsh answered the vehicles had not been capitalized yet. Welter said that will happen once all the documentation is received. It should be in the October financials. The \$50,000 was also a project that came out of Construction and Process when it was completed and was capitalized.

Drennan asked why Accumulated Depreciation went down. Welter said that it as an accumulation of smaller assets, such as a rest area tractor that was traded in and disposed of, resulting in its associated depreciation being removed.

**Statement of Revenue:** Staff has reached out to US Bank to see if we are eligible for time certificates of deposit and is waiting for an answer. Depending on their answer, staff will then reach out to DOJ to see if we are legally able to participate.

**Capital Projects:** Garcia asked why Oak Grove Southbound was its own project line and had not been incorporated into an overall Oak Grove project. Pickett said that we are required to make use of ODOT building identification numbers and to record the value of each building for risk management. Drennan asked if the condition assessment preformed for a cost of \$92,000 would be shown as an asset? Pickett said it doesn't qualify as an asset. It will show at the program level as an expenditure.

**Capital Commitments:** Welter went through the Rest Area Funds and Capital Commitments Report with the committee. She explained that the far left column of the report with the title *planned* shows the remaining amount of funds left from original planned funding.

#### **New Business:**

**Administration Office Lease:** There will be a Council vote on Friday, October 26, 2018 to amend the current lease and authorize the Executive Director to sign the agreement.

**Human Trafficking Awareness Posters:** Denno said that there is a meeting next week with ODOT to double check a few details and then the project will be ready to move ahead.

**The Governor's Disaster Cabinet:** The Governor's Disaster Cabinet met last week. They were given a scenario of a flu epidemic followed by a snow storm. This first meeting focused on communications within the cabinet.

**Adjournment:** The meeting adjourned at 3:18 p.m.

**Next Meeting:** Wednesday, November 28, 2018 at 2:30 p.m., telephonic at the TIC Offices, 1500 Liberty St. S.E. Suite 150, Salem, OR 97302.