



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

MINUTES

Finance Committee  
Wednesday, October 23, 2019

Members Participating:  
Mike Marsh; Mike Drennan; Bob Garcia

Excused: Susan Steward; Ed Washington

TIC Staff Participating:  
Jim Denno; Tim Pickett; Diane Welter; Jessica Carbone

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The meeting was called to order by Marsh at 2:35 p.m., at the TIC offices in Salem, OR.

**Roll Call:** Marsh, Drennan, and Garcia were present by phone. The staff was present in the office.

**New Business:**

**September Financials:** Welter reported that September results were \$179,787 better than budget due to the interest earnings of nearly \$32,000 combined with lower than anticipated expenses. The lower expenses are primarily related to repairs and maintenance projects which have not yet occurred, such as tree removals in some rest areas.

**Investment Update:** On September 30, we had \$12.9 million in the MMA at Umpqua Bank and \$5 million in CDs at Summit Bank. We had CDs of \$3 million at 2% and \$2 million at 1.95%. One of those CDs matured on October 3, 2019, for \$1,500,000 and it was reinvested at Summit for 26 weeks at 1.7%. During September, the Fed Funds Rate dropped from 2.25% to 2% which affected the interest earnings rate for the money market accounts.

**Moss Adams:** Marsh commented that Moss Adams had completed their fieldwork and they had no findings. The official report will be issued within the next two weeks.

**Balance Sheet:** Drennan asked for clarification on why the asset account balance for sign vehicles decreased \$100,000 and accumulated depreciation also decreased. Pickett said there were some timing issues between the trading in of the old sign truck towards the purchasing of the new truck and the final accessories being added to the truck to establish the book value of the truck. He said the committee should see the total increase to assets in October. Welter said the new truck project is still currently in Construction in Progress.

**Expenditure and Revenue:** Drennan asked if there had been any further information about the cost of health benefits for next year. Pickett said that we have not seen any communication from PEBB on a final

cost, but they did not forecast a significant increase this year. The committee then discussed state health care options. Drennan asked why wages were 5% under budget, but the FICA was only 1% below budget – we would expect to see a correlation between them. Welter said she would investigate it and report back.

**Capital Projects:** Drennan asked why the Grove of the States was still listed under Capital Projects. Pickett reported that the project will be coming off next month. The final placement of some of the tree plaques that had to be installed after the pathways were finished were done last week. Drennan then asked if the Restrooms were open at Oak Grove. Denno said that Northbound opened last Friday and operations are going very well. Southbound should open in about two weeks.

**Draft Investment Policy:** The committee reviewed the draft investment policy presented by Welter. Welter reported that because most of the invested funds are from Highway Fund that the interest from those funds must return to the Highway Fund. Because of that, she has recommended a conservative investment approach and maturity dates. Marsh recommends a conservative approach since this investment program is still new and sets a standard for future programs. The committee discussed where to place interest earned from the reserve fund and other funds.

*Drennan made a motion to recommend this Investment Policy to the Council for approval. Garcia seconded the motion. The motion carried.*

**Approval of the Minutes:** Garcia made a motion to approve the September 25, 2019 minutes as submitted. Drennan seconded. The motion carried.

**Other Business:** Denno reported on the current status of the Walker legal case and the appointment of two new Council Members; Valarie Walker from Travel Bend and Julie Brown from OTC.

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

**Next Meeting:** Wednesday, November 27, 2019, at 11:00 a.m., telephonic at the TIC Offices, 1500 Liberty St. S.E. Suite 150, Salem, OR 97302.

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