



Travel Information Council  
1500 Liberty St. SE, Suite 150  
Salem, OR 97302

MINUTES  
Finance Committee  
Meeting  
Wednesday, July 27, 2022  
Virtual Meeting

**Members Participating:** Mike Drennan; Bob Garcia, Eliza Canty-Jones

**Excused:** Ed Washington

**TIC Staff Participating:** Elizabeth Boxall; Diane Welter; Steve Duvall

---

The meeting was called to order by Canty-Jones at 11:05 a.m.

**Roll Call:** Introductions were made for the record. Committee members and staff were present.

**Approval of the Minutes:**

*Drennan made a motion to approve the March 23, 2022 minutes as submitted. Garcia seconded the motion. Passed, 3-0 vote.*

Drennan noted a needed correction to the May 25, 2022 minutes as Canty-Jones was not present at that meeting.

*Garcia made a motion to approve the May 25, 2022 minutes as amended. Drennan seconded the motion. Passed, 3-0 vote.*

**May Financials**

Drennan asked about the insurance and depreciation variances and whether these would continue into the new fiscal year. Welter stated that the budget is prepared on a biennial basis and therefore, the variances will continue through the end of this budget cycle. Drennan asked if adjustments should be made to those line items. Welter said it's possible, but the committee had previously discussed it and determined it was not material enough to adjust.

Canty-Jones asked what TIC might expect in 12 months from a budget to actuals perspective. Welter said that recent cost-of-living adjustments will mean personnel costs will be higher than anticipated. Welter also stated there are inflationary factors to consider such as operating supplies and gas prices. Given these factors, Welter said she does not anticipate a large under-budget variance.

Duvall stated that maintenance and operations inflationary increases will be significant, such as PVC and copper pipe, for examples. Duvall stated that capital improvements are estimated to experience roughly 40-50% increases in material costs. Duvall is hearing feedback from ODOT, engineers, and Federal Highway staff, that they are experiencing between approx. 30-50% increases over the last few months just in materials. Duvall said what TIC saved previously will likely be spent down quickly with its current commitments and inflation.

Drennan asked about the general checking account which showed a large increase from a transfer. Welter explained that the account is TIC's operating account from which all bills are paid and it required a fund transfer for bill payments. Drennan also inquired about the capital improvement fund which went up. Welter explained that this is from monies received from ODOT.

Drennan asked about Other Revenues and Expenses – Resources from Other State Agencies which occurred in May and is also reflected in the year-to-date financials. Welter said that this results when ODOT removes a sign that's in their way for construction; they will replace it at their cost and that becomes a benefit to TIC's revenue.

## **Financial Policy**

Welter explained that TIC does not currently have a written financial policy and both Welter and Boxall thought this was important for the agency. All committee members agreed. Drennan noted that under the Operating Reserves section of the proposed policy an amount is not mentioned. Welter explained that the actual amount could fluctuate, and the intent is to document that we have reserves and their use.

Drennan asked about the Project Management section and who approves expenditures over \$25,000 when there isn't sufficient time to hold a regular council meeting. Welter explained the current approval process for extenuating time-sensitive circumstances exceeding \$25,000. Drennan and Canty-Jones suggested that the language be edited to include other options in the event the roles listed in the proposal are unable to respond to such requests. This would help ensure critical work can continue.

Garcia recommended adding a statement about a requirement to have enough contingency for the project or situation. Duvall said conversations have occurred with Boxall regarding potential development of a matrix which would outline standard contingencies based on project type and project amount. Duvall said that any such proposal would be brought to committee for consideration.

Drennan asked about the mention in the proposed policy that the agency maintains an allowance for uncollectable accounts. Welter explained that the practice aligns to generally accepted accounting principles, and is needed in the event TIC needs to write off bad debt.

*Drennan made a motion to approve the proposed financial policy with minor adjustments discussed to council with recommendation of adoption. Garcia seconded the motion. Passed, 3-0 vote.*

## **Small Tools & Equipment**

Welter stated that TIC has a small tools account for recording any tools over \$150, not capitalizable. Welter explained that the account has grown significantly over the last several years. Welter said that the Oregon Accounting Manual states that these items are not usually added to the balance sheet and are typically tracked in a separate system which TIC already does. The accounting impact would be that TIC removes these from Current Assets Inventory and would offset the entry to TIC's net position. Welter said that it affects the balance sheet as an accounting entry and that ongoing, TIC would continue to inventory and track the items, but it would no longer be reflected on the balance sheet.

No action was needed or taken, but all committee members expressed support of the change.

**Adjournment:** The meeting adjourned at 11:58 a.m.

**Next Meeting:** A virtual meeting scheduled for Wednesday, September 28, 2022, at 11:00 a.m.