



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

MINUTES
Finance Committee
Meeting
Wednesday, July 24, 2024
Virtual Meeting

Members Participating: Eliza Canty-Jones; Mike Drennan; Valerie Wilson

Excused: Bob Garica

TIC Staff Participating: Mike Auman; Heather Swanson; Michelle Roth; Jessica Carbone

The meeting was called to order by Canty-Jones at 11:06 a.m.

Roll Call: Canty-Jones called Roll for the record. Committee members and staff were present.

Business Meeting

Approval of the Minutes: Canty-Jones proposed editing “There is strong interest income from investments and payroll is continuing to run under budget due to savings from employees choosing to opt out of health benefits despite higher COLAs.” to read, “There is strong interest income from investments and payroll is continuing to run under budget, despite higher COLAs, due to savings from employees choosing to opt out of health benefits.” to clarify its meaning.

*Drennan made a motion to approve the May 22, 2024, meeting minutes as amended. Wilson seconded.
3-0 Vote.*

Review of April and May 2024 Financial Monthly Reports: Canty-Jones asked that the minutes show that the monthly financials are up to date and congratulated Roth and her team. She reminded the committee that June financials do take a little bit longer since they also include year-end financials as well. Roth commented on some common trends over April and May. Interest income remains strong and is the main reason why reserve funds have not been accessed yet. Roth said that year-to-date expenses are 4% under and are running in line with the budget. Next, Roth informed the committee that she had spoken with SARS since the last meeting, about the possibility of raising the State's capitalization limit from \$5000. The person she spoke with said that increasing the capitalization limit was actively being talked about, but they were unaware of when it would take place. Drennan asked that Roth address variances year-to-date and not just the individual reports in her memo. In referencing the April capital funds report Drennan asked Roth what happens with remaining funds from a project once it is completed. Roth said that thought funds are placed back into the overall pot of capital funds. Dreanna asked why some of the projects that are on hold have already had significant money spent towards the project, but haven't seen any movement. Roth said that some of those projects were started and put on hold while they were still in the design phase. During the position transitions in the Rest Area Administrator position, some of those projects were put on hold so other projects could be completed. Canty-Jones asked why the total miles driven were down by 14,000 miles. Swanson said that

those miles are recorded by the DAS Motor pool when staff fill up their vehicles with gas. The numbers could be down for a lot of reasons, including staff turnover, vehicle shift, user error when entering miles at the pump, and reporting delays from DAS. Swanson said that she is not overly concerned that these numbers are under budget TIC just came into possession of four of the eight trucks Council approved the purchase of, but there are a couple of open positions in the field that we are working towards filling and three staff members that are on extended medical leave which means those trucks are not being driven. Canty-Jones then asked why the French Prairie water and sewer bill were under. Roth informed the committee of the history of how the water usage was previously billed by the city. She said Daphnee Legarza worked with the city to figure out how they were coming up with that number because she was coming up with a different figure. At the end of the negotiations, the total costs were decreased significantly. When the budget was created, it was still not sure what those numbers might be so it was estimated conservatively. Drennan asked why Payroll Liabilities dropped by \$600,000. Roth said that billing from DAS Payroll has been inconsistent, but TIC has received and paid invoices through May. The committee continued discussing different vacancies found in the financials. Roth said she would look further into why Utilities – Communication is so far under budget and said Bank Service Charges were running under budget because the new electronic billing service, in which TIC would be paying the 3% service charges, has not started as planned.

Wilson asked what interest had been mentioned to Roth when she spoke to our banks about our investments. Roth said she had been seeing between 4.5% and upwards to 5.15%.

Voting Items

Participation in Local Government Investment Pool (LGIP) Discussion and Investment Policy Revisions: Roth said that Auman has asked why TIC was not participating in LGIP. Auman confirmed that TIC was eligible to participate in the and Roth shared with the committee what LGIP is. It is a pool managed by the Oregon State Treasury that invests in high-quality, short-term fixed-income security, so treasuries, bonds, and CDs. The administrative fees are extremely reasonable. Administrative fees are charged against investment earnings (currently 0.435 basis points) and transition fees are minimal. Auman said the investment is super secure and very liquid, and it would mean less time spent setting up and managing the funds as well as there would be fewer accounts to manage.

Drennan made a motion to recommend updating the investment policy to include the option to invest in the Local Government Investment Pool to Council. Wilson seconded. 3-0 Vote

Wilson made a motion to recommend to the Council to approve TIC staff participation in the LGIP pool by opening two new accounts, one for other funds and one for rest area funds. Drennan seconded. 3-0 Vote.

Investment Opportunity: Roth spoke to the committee about investing in some short-term CDs while we wait for the Council's possible approval on September 9. The committee discussed possible options given by Summit and BMO Banks.

Drennan made a motion to invest \$15 million in a two-month CD with Summit Bank at a 4.97% APY. Wilson seconded. 3-0 Vote.

Addition of Accounts Payable Clerk/Administrative Support position: Roth asked the committee to recommend to the Council the addition of an Accounts Payable Clerk/ Administrative Support Position. Roth said that while not all the duties of the position have been finalized it is intended that this position would include general duties of accounts payable, invoice processing and entry, and administrative support. This position would some duties to be freed up from other staff, balance some workloads, and allow the administration to work on higher level projects. Canty-Jones asked if this request was being brought to the committee because it was a significant change outside of what has been budgeted and will need to be brought before the full Council for approval. She asked for reassurance to clarify that the Council provides governance and staff conducts management of the

agency. Roth confirmed that this request is being made because the position is unbudgeted. The position's annual cost for 1 FTE is estimated at \$115,530. Canty-Jones then asked if it would be responsible to add this position with the uncertainty that TIC is currently facing in its funding. Auman responded he felt that this expenditure was a necessary expense of doing business.

Wilson made a motion to recommend approval of an unbudgeted expense of up to \$114,530 for an accounts payable administrative support position to the Council. Drennan seconded. 3-0 Vote.

Sign Truck Purchase: Roth said that Diane Cheyne was unable to attend the meeting, so she would be presenting the request for the committee to recommend to the Council a not to exceed amount of \$79,200 for the purchase of a new sign truck. Typically sign crew trucks are run to 250,000 thousand miles. The current truck is a 2019 Dodge Ram that has over 225,000 miles. Unfortunately, this truck has needed a lot of significant repairs, had a couple of recalls, and has become unreliable creating safety concerns for sign field staff. Roths said that Dodge only makes a very limited number of the specific type of truck that the sign crew needs and there are none currently available. The 2025 truck prices will be released in September after the scheduled quarterly Council meeting. The amount requested includes estimated truck chassis cost using state contracted pricing, cost to transfer service body, crane, inverters, rack, and safety equipment with 10% contingency.

Drennan made a motion to recommend approval of a not-to-exceed amount of \$79,200 for the purchase of a new sign truck. Wilson seconded. 3-0 Vote.

Other Business: None.

Adjournment: The meeting adjourned at 12:09 p.m.

Next Meeting: September 25, 2024, at 11:00 a.m.