

Travel Information Council
2025-2027 Budget Narrative
June 2025

Agency Background

Oregon's Travel Information Council (TIC) is a semi-independent state agency that was created by the legislature as part of the Oregon Motorist Information Act of 1971 to institute logo sign and motorist informational sign programs on the state highway system. Over time, additional responsibilities were added to TIC, including historical markers, heritage trees, travel information kiosks, and safety rest areas. Through legislative action, TIC now manages 39 safety rest areas across Oregon.

TIC is governed by a 9-member volunteer council, eight of whom are appointed by the Governor and one who represents the Oregon Transportation Commission. The Executive Director of the agency reports to the council and has the authority to direct the affairs of the agency.

TIC operates on a 2-year biennial budget that is approved by the council and is not subject to review and approval by the Legislature.

Statutory Authority

Authority for TIC and the many functions of the agency are in Oregon Revised Statute (ORS) 377.835 thru 377.995. Oregon Administrative Rules (OAR), chapter 733, have also been created to implement and interpret some areas of statutory authority for TIC.

Mission

TIC serves Oregon travelers and local communities by providing safe and welcoming rest areas, helpful highway signage, informative historical markers, and heritage tree designations.

Vision

To create exceptional, safe, and enjoyable traveler experiences.

Revenue and Funding

Funding for TIC primarily comes from dedicated funding for rest areas and revenue from the yearly permit fees paid for the rental of sign space.

All funding for the management, maintenance, improvement and development of roadside rest areas is directed in law, in ORS 377.841, as a transfer from the State Highway Fund, through ODOT to TIC. Currently this allocation is \$9.16 million each year on July 1st. In 2017, the Legislature also allocated a total of \$19.5 million from 2018-2025 for capital improvements to roadside rest areas.

Permit fees for the rental of Specific Service Signs is determined by the Council and reviewed annually.

Budget Execution

With Council approval of this 2025-2027 Budget, this budget will be effective July 1, 2025 – June 30, 2027. Once approved and effective, the Executive Director has Council authorization to direct the agency in execution of the budget. This includes, and is not limited to, the approval to award contracts for goods or professional services and authorize the expenditure of moneys within the approved budget limits, including any contracts or expenditures above \$25,000.

Overview

For several years TIC has been monitoring the increasing operating costs of the agency. Significant inflationary impacts to labor, services, and supplies are driving up costs agency-wide. Some of these impacts have been offset by strong returns in investment income from high interest rates. It is unknown what the inflation impacts or interest rates will be over the next two years, but this budget is built with conservative assumptions about both.

There is a Transportation Package being considered in the 2025 Legislative session that may have an impact on rest area funding for TIC. This 2025-2027 budget does not consider any increase in funding for rest areas, as a result, the second year of the biennium will require decreases in rest area services to balance to the available funding.

The 2025-2027 budget, as presented, is for \$36.1 million in cash outflows, which includes planned personnel, services, and supply costs for the next two years.

Key Points

Several items in the 2025-2027 budget are worth noting:

- Base payroll – employer contributions increased for both PERS and health insurance. Cost of Living Adjustments (COLA) of 4.2% are anticipated in 2026 and 2027 for each position classification.
- Step based compensation – while not changing the salary range for each position classification, ending the merit-based pay model and moving to a 10-step salary schedule will have a budget impact to get employees “on step”.

- Inflation – an assumed 4.2% general inflation for services and supplies, and 6.8% for landscape and janitorial services.
- Rest area operations funding – has remained flat at \$9.16 million per year, but additional interest income has allowed expenditures above that amount in previous years. In the second year of the 2025-2027 budget, there will not be enough funding to support current service levels and reductions will be required.
- Rest area capital improvements funding – FY 2025-2026 is the last year of this funding, no additional funding for capital improvements is assumed.
- Ending cash balances – at the end of the 2025-2027 biennium, rest area operations will have zero in carry forward funds, rest area capital improvements will have \$425,000 and other funds will have \$2.5 million.

Programs

The budget for TIC is categorized into five areas – Business Services, Signs, Information Centers, Heritage, Rest Area. The following describes each of the five and highlights key information about what is included in the 2025-2027 budget.

Business Services

Business Services is responsible for the IT, human resources, payroll, accounting, cash management, budgeting, financial reporting and administrative support functions of the agency. It includes the executive director, IT, administrative support staff and finance department and supports DAS payroll and human resource shared services. It includes 7.7 FTE. In FY 2023-2024 over 3,600 invoices, 4,700 credit card transactions and 1,900 checks were processed, and 22 employees were hired.

2025-2027 planned initiatives/outcomes:

- Shared services – contracting with DAS for payroll and human resources. There were 30% - 95% increases in the fees and assessments for these services, although total costs for these services are still similar to or lower than staffing these positions in house. Using DAS for these essential services allows for greater redundancy in the event of staff absence or departure.
- Information Technology – increasing the frequency of computer replacements, given the age of the equipment and the need to modernize. Upgrading the accounting system will allow for a new online invoice system for the sign program.
- Administrative building leasehold improvements – the budget includes \$26,000 in capital outlay to replace the carpet at the Salem administrative office.

Sign Program

Serves both local communities and travelers. Informing travelers helps to ensure public safety by providing directions to important destinations such as food, gas, lodging, camping, and attractions. Travelers visiting communities and businesses enhances local economies. The sign program includes the installation, maintenance, and replacement of approximately 5,000 signs statewide.

2025-2027 key planned initiatives/outcomes:

- Sign truck replacements – of the 4 trucks in the program, planning to replace 2 trucks for \$160,000 in capital outlay.
- Capital sign replacements – increased the budget by \$200,000 from last biennium to \$1,001,000 in capital outlay (\$500,500 per year), due to the increased costs of materials and installation. Estimating that will include the replacement of 34 concrete footings and I-Beam support replacements and 40 Extruded Aluminum board replacements in 2025-2027.
- Fees – estimating a 3% increase in sign fees for the 2nd year of the biennium, pending Council review and approval.

Information Center Program

Fifteen Information Centers were built by ODOT in 1975 and given to TIC to manage per legislation passed in 1971 for the Oregon Motorist Information Act. Over time 5 were removed or closed for various reasons. In 2007 after an agreement with Travel Oregon, the structures were refurbished again. In 2018 Certified Folder Display began managing the 10 existing Information Centers for TIC by providing the materials for display. In the last budget, the Gettings Creek Information Center was replaced in 2024 for \$125,000.

2025-2027 key planned initiatives/outcomes:

- Multnomah Falls Information Center - was deemed in fair condition in 2011, and the plan is to replace it in FY 2025-2026 pending Multnomah County Land Use permitting at a cost of approximately \$150,000 in capital outlay.
- Major repairs and maintenance - \$150,000 in capital outlay has been identified in FY 2026-2027 for improvements to the remaining structures.

Heritage Programs

The Heritage programs are comprised of two historical programs that inform the public about Oregon's past.

- The Heritage Tree Program recognizes Oregon trees of significance, educates the public about their value, and promotes their appreciation as part of Oregon's heritage.

- The Historical Marker Program informs the public of statewide or nationally significant historical or geological events and/or locations by placing and maintaining informational markers on state highway right-of-way or nearby accessible property.

2025-2027 key planned initiatives/outcomes:

- Oregon Trail Kiosks – work planned to upgrade the interpretive information at 12 rest areas as a result of federal earmark funding and the required matching funds for a total of \$245,180. Budget includes \$135,180 in capital outlay in FY 2025-2026 to complete the project.
- Historical Markers – planning to increase the number of replacements to respond to deferred maintenance needs. Planning to update 5 markers and add 2-3 new markers. Budget includes \$56,500 in capital outlay for marker replacements.

Rest Area Program

Rest area management is based on the needs of the traveler, as well as the communities which exist nearby. We collaborate with community leaders, industry partners, and regional businesses to provide the very best motoring experience possible, including reliably clean and safe rest facilities. Today TIC is responsible for 39 rest areas, several of which also house information centers.

2025-2027 key planned initiatives/outcomes:

- Rest Area truck replacements – of the 42 trucks in the rest area program, the agency owns 30 while leasing another 12 from DAS. The budget includes the replacement and purchasing of 11 new trucks for \$525,000. Adding to the program owned fleet, the rest area program will see cost savings related to less DAS lease costs.
- Major maintenance – adding a new budget amount of \$200,000 per year for repair and replacement of non-emergency systems essential to maintaining safe and operational rest areas. These funds will be used to address necessary upgrades and maintenance for critical infrastructure, including electrical systems, wells and water systems, septic and sewer systems, and code-related improvements not otherwise planned. Ensuring that rest areas remain functional and compliant with regulatory requirements and reducing the risk of unexpected closures due to system failures.
- Equipment purchases – adding a new budget amount of \$50,000 per year for the replacement and purchasing of new equipment above \$5,000 essential to maintaining safe and operational rest areas. These funds will be used to manage the fleet of equipment across all rest areas, balancing the timing of replacements and the ongoing repairs and maintenance costs.

- Unplanned needs – as the rest area buildings and systems continue to age, unplanned operational improvements are required. Budgeting \$250,000 in capital outlay for those unplanned expenses allows the agency to respond swiftly to urgent situations where delays could result in an unsafe situation or long-term rest area closures and safety hazards.
- Service contracts – continuing janitorial and landscaping contracts for an estimated budget amount of \$1,085,077 in the first year and a reduction in the second year of \$93,595.07 as part of the identified service reductions related to landscape services
- Capital Improvements – the last annual allocation of funding ends in 2025. With no additional funding identified in the future, the remaining funds available are planned for the following projects or programs:

1	Rest Area Program - Trucks Fleet replacement	2025 / 3rd Quarter and 2026 / 3 rd Quarter	\$525,000
2	Oak Grove SB Pavement	2025 / 3 rd Quarter	\$250,000
3	Unplanned Operational Improvements	2025-2027	\$250,000
4	Rest Area Pavement Preservation Program	2025-2027	\$4,000,000
5	Rest Area Building Improvements Program	2025-2027	\$1,500,000
6	Equipment	2025-2027	\$100,000
7	Memaloose building expansion	2025 / 3rd Quarter	\$570,000
		Total Capital Outlay	\$7,195,000