



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

MINUTES
Finance Committee
Meeting
Wednesday, December 4, 2024
Virtual Meeting

Members Participating: Eliza Canty-Jones; Mike Drennan; John Hamilton

Excused: Bob Garcia

TIC Staff Participating: Mac Lynde; Heather Peck; Michelle Roth; Diane Cheyne; Jessica Carbone

The meeting was called to order by Canty-Jones at 1:01 p.m.

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

Business Meeting

Approval of the October 2, 2024, Minutes:

Drennan made a motion to approve the October 2, 2024, meeting minutes as presented. Hamilton seconded. 3-0 Vote: Canty-Jones- yes, Drennan- yes, Hamilton- yes.

Department Update: Roth said that TIC's investment accounts with the Local Government Investment Pool (LGIP) have been opened and funds were transferred into them on November 1st. All BMO accounts are in the process of being closed since they were not able to match the interest rate Summit was providing. Roth informed the committee that the recruitment to fill the senior accountant position, which has been empty since October, has started. A temporary accountant from Robert Half has been brought in to help out until the position can be filled. Roth said that accountant positions have been hard to fill. The recruitment has been updated to better align with rest of the State to attract as many candidates as possible. Roth asked the committee if the cover memo was meeting their expectations. Committee members shared their satisfaction with how the cover memo and report were presented. Roth made the committee aware that the interest rate on TIC's current LGIP investments has gone down from 5% to 4.85% and is expected to continue to decrease. The committee then discussed the current policy and process for moving investment funds. Hamilton asked what security measures TIC has for the transfer of large amounts of funds. Roth said that staff must receive Council approval to open up new accounts. If allowed by the banking institution, accounts are set up with required dual approvals to move funds. TIC also has an internal approval process that requires certain approvals before authorized individuals can transfer funds. Hamilton asked that those processes be shared with the Council. Lynde shared the internal control measures that he has visibility to in his role. Canty-Jones said that TIC also has an annual agreed-upon procedures review. Roth said that the 2023-24 report by Moss Adams was just completed and no exceptions were found. The agreed upon procedures performed by Moss Adams are agreed to by TIC, the Secretary of State, and the Legislative Fiscal Office.

Review of the September and October 2024 Monthly Financial Reports: Drennan asked for clarification on why Land Improvements- Signs Int on the Balance Sheet went down about \$30,000 in September and over

\$40,000 in October. Roth said that prior to 2010 the Agency was not full accrual and did not have all their fixed assets recorded. When converting to the full accrual basis many sign values had to be estimated. When signs are currently being replaced they are coming in under the agency's capitalization threshold and being expensed while prior to being replaced their estimated value meet the capitalization threshold and they were capitalized. Also, some signs with empty boards have been taken down and not replaced. When a sign board is removed the sign supports, which often have a higher cost, are also removed. Cheyne said that when she enlarges signs, she tries to replace the oldest possible sign but sometimes signs that need to be enlarged to make room for more customers haven't been fully depreciated. Drennan then asked why payroll liabilities were so large. Roth said that DAS is behind on billing TIC for payroll. A bill was received yesterday from DAS for charges from July through September 2024. Roth told the committee to expect a large payment in the December financials. Roth said that TIC is one of the few agencies that are not part of the State's accounting system where automatic transfers are made to pay for payroll.

Drennan asked why accumulated depreciation went down instead of up in October. Roth said that there were some asset disposals including trucks from the rest area program and quite a few signs. Some of the signs were fully depreciated so they were reversed out of accumulated depreciation. The committee then discussed the rest area truck replacement program.

Hamilton asked if there had been any feedback on the new sign pricing. Cheyne said that the new pricing went into effect for invoices due October 31st. She has had no feedback from any of the customers that went into the new seventh band. Cheyne said that there are also six sign board enlargement projects currently in progress. Peck told Drennan to look out for large capital expenditures in the November financials since several large paving projects were finalized this fall.

Voting Items

2025-27 Budget Assumptions: Roth presented the 2025-27 biennial budget assumptions. Funding for rest areas will be budgeted at what is currently in statute because of the uncertainty of the outcome of the upcoming legislative session on additional funding. Lynde updated the committee on his work to obtain additional funding during the upcoming legislative session. Lynde and Canty-Jones will present next Wednesday before the Joint Committee on Transportation to speak about TIC's mission, the services we provide, and how we are funded. Lynde also informed the committee that he met with the Governor's office and the Transportation Commission. The committee discussed the development of estimating TIC's future funding needs. Drennan asked if staff felt comfortable assuming a COLA of 4.2% or if they had any information on what the state might be anticipating for the next biennium. Roth said that in her conversation with her DAS HR and Payroll contacts, given the record COLAs from the last biennium, no one has a good idea of what to anticipate for the next COLA.

Hamilton made a motion to approve the recommendation of the 2025-27 Biennial Budget Assumptions to the Council as presented. Drennan seconded. 3-0 Vote: Canty-Jones- yes, Drennan- yes, Hamilton- yes.

Other Business

Discussion of the 2025 Meeting Dates: The committee reviewed the proposed meeting schedule for 2025. The committee approved the next meeting for February 26, 2025. Drennan asked that the proposed meeting in December be moved to avoid the Christmas holiday.

Adjournment: The meeting adjourned at 2:09 p.m.

Next Meeting: February 26, 2025, at 1:00 p.m.