



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

MINUTES
Finance Committee
Meeting
Wednesday, May 22, 2024
Virtual Meeting

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

Excused: Bob Garica

TIC Staff Participating: Mike Auman; Diane Cheyne; Heather Peck; Michelle Roth; Jessica Carbone

The meeting was called to order by Canty-Jones at 11:03 a.m.

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

Business Meeting

Approval of the Minutes:

Wilson proposed removing the extra "t" from Summit Bank under "Review of October and November 2023 Financials."

*Drennan made a motion to approve the March 27, 2024, meeting minutes as amended. Wilson seconded.
3-0 Vote.*

Review of December 2023, January 2024, and February 2024 Financials: Canty-Jones asked Roth if the finance team was set to have all of the financials caught up in the next month as estimated. Roth said they are on schedule to have April financials completed in early June which would bring the financials current with May financials closing at the end of June. Roth reminded the committee that June financials are held open a little longer than the other months as it is the end of the fiscal year. The committee discussed that there were three sets of financials to discuss at this meeting. Drennan asked to also discuss the March 2024 financials that had been completed and sent out to Council and Committee members after the meeting packet was sent out as new business. Canty-Jones agreed that it was the best use of the committee's time to also include the most recent March 2024 financials. Roth spoke about the common trends she is seeing in the financials. 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. Canty-Jones asked if there was any larger underlying issue as to why the rest area all staff meeting was budgeted but did not take place. Peck said it did not take place due to timing and staffing issues in the rest area, but there will be a rest area supervisor meeting taking place in the fall. Roth said general and administrative expenses are running under budget, but Roth expects that to pick up as traveling starts to increase for the summer and nicer weather allows more repairs and maintenance projects to be completed. Roth noted that work has begun on the Memaloose paving project and should be completed soon.

Roth updated the committee on rest area reserve funds. At June 30, 2023 TIC had a rest area operating fund balance of about \$2.9 million. In the budget TIC planned to use about \$923,000 in this fiscal year and about \$1.395 million in the next fiscal year. This would result in the use \$166,000 of the \$750,000 in the rest area reserve leaving \$584,000 at the end of the biennium. As of March 31, 2024, rest area operations are running \$800,000 better than planned due to greater than planned interest earnings from investments and some expense savings. Currently, it looks like TIC will not need to use any reserves this fiscal year.

Drennan asked why Oak Grove has not recorded any people counts. Peck said that the people counters in that rest area have seen a lot of repeated vandalism. Rest Area staff is in the process of creating a special box to protect the counters. Drennan then asked Roth if she felt it would be wise to raise the \$5,000 fixed asset capitalization limit. Roth said that TIC follows the state's capitalization limit because we submit our financial information for inclusion in the state's financial statements and the state has set the limit at \$5,000. Roth said she would reach out to SARS (Statewide Accounting Reporting Services) to see if there has been any talk of raising the limit. Auman said he thought that would be a good discussion to have since most other agencies do not have to address capital assets. Roth asked the Committee to confirm some of the information she provides with the financial reports is still useful to the committee. After discussion, it was decided to remove the current ratio, debt to equity ratio, EBITA calculation and the accounts receivable aging report from the packet but still provide the accounts payable aging report every quarter.

Voting Items

Sign Fee Discussion: Before Cheyne addressed the sign fee discussion, she updated the committee on the Multnomah Falls kiosk replacement project. Cheyne was recently made aware that, even after making prior inquiries at the beginning of the project, a Scenic Highway Permit is required. This permitting process could take up to a year. Since the kiosk is already in production, staff has decided to recommend the replacement of the kiosk at Gettings Greek northbound due to its age and condition. Roth said that two kiosk replacements had been budgeted for in the current biennium so the Multnomah Falls kiosk will be the second project and Gettings Creek the first.

Diane said she was requested by the Council to gather some additional information concerning the sign program to help them with their decision about a fee increase. After additional research, staff proposed the following changes:

- a. Realigning the bands to make them a 10% increase from the Base.
- b. Adding a 7th band.
- c. Resetting the Double Logo rate from 1.30 to 1.33 of the price of a Single Logo.
- d. Changing Intersection signs to be 50% of the rate of Advance signs.
- e. Changing Trailblazers pricing to Base plus a 10% increase for each subsequent band in the schedule.

The proposed changes would result in a total increase of \$70,619. The committee then discussed other funds fund balance and reserves and TIC plans to use it.

Wilson made a motion to approve the recommendation of the revisions to the sign fee rates to Council as proposed by staff:

- a. *Realigning the bands to make them a 10% increase from the Base.*
- b. *Adding a 7th band.*
- c. *Resetting the Double Logo rate from 1.30 to 1.33 of the price of a Single Logo.*
- d. *Changing Intersection signs to be 50% of the rate of Advance signs.*
- e. *Changing Trailblazers pricing to Base plus a 10% increase for each subsequent band in the schedule.*

Drennan seconded. 3-0 Vote.

Other Business: None.

Adjournment: The meeting adjourned at 12:03 a.m.

Next Meeting: July 24, 2024, at 11:00 a.m.