



EDC Budget Committee Minutes

May 16, 2017

Board Members Present:		Board Members Not Present:	
Ross Tomlin		Garry Bullard	
Mike Bever			
Ed Gallagher			
Tammy Crossley			
Suzanne Weber			
Doug Olson			
Michele Bradley			
David Yamamoto			
Budget Committee Members Present:		Budget Committee members not present:	
Tom Atchison	Pat Kehr	Joe Meyer	
Justin Aufdermauer	Belinda Williams	John O'Leary	
Jan Jensen			
Mary Jones			
Ken Crowe			
Staff Present:	Nan Devlin	Amy Blackburn	Laura Gruenewald
Public Present:	Gus Meyer	Shawna Sykes	

Call to Order

The meeting was called to order by 12:00pm by Chair Michele Bradley

Election of Budget Committee Chair

A motion to appoint Mary Jones as the Budget Committee Chair was made Justin Aufdermauer and seconded by Eugene Tish. The motion carried.

Election of Budget Committee Secretary

A motion to appoint Jan Jensen as Budget Committee Secretary was made by Justin Aufdermauer and seconded by Eugene Tish. The motion carried.

Review of Proposed TLT Budget

EDC and VTC accountant/Budget Director Amy Blackburn presented the EDC & VTC 2017-18 budget and the Rural Economic Development Grant revised proposed budget. Budget Director Blackburn started with explaining the TBCC is their fiscal agent, money is kept in their accounts, they're employees of TBCC, and she works under TBCC's Finance Director. Though the same auditor is used, they are done separately. There was some explanation of how VTC came about and under the EDC.

Looking at five accounts today and they're self-balancing and separated by function., the general fund, the rural economic grant fund, the RLF, the VTC main fund, and the VTC non TLT fund.

EDC general fund is mainly the operations of the EDC. Most of fund comes from IGA contract with Tillamook County and smaller amount from other IGA and business partners' memberships. The total for the county proposed budget is 65k for EDC. There were no questions on this fund.

Director Blackburn built in a contingency in all the funds, easier to set up now rather than later. And the only way to approve using funds would be by board resolution. Saves from having to do a supplemental budget incase funds need to be used.

The Rural Economic Development Grant Fund – Director Blackburn looked a little deeper into the 35k grant fund for TA services received from the USDA that is tied to the 140k RLF loan that was awarded simultaneously. Currently the way it was proposed, it was allocated for staff salary. It's not clear if this is actually the intent or if it's more for advisory services on potential loan recipients. She will get a clearer understanding on what they're to be used for.

The Revolving Loan Fund – made up of two accounts. One is the RMAP loan received from USDA for 140k and then the existing RLF dollars. She provided a list of existing loans and nothing proposed as impossible to state what will be loaned out this next fiscal year. Plan on starting year with \$195, expect to get in for principal payments roughly 60k, and bring in roughly 12k interest. Very few expenses - ACH fees, bank fees and accounting software annual renewal.

Visit Tillamook Coast Fund – is under the EDC umbrella. Funded through the TLT tax through the county. Q1 is up 17% from last year. Most funding comes from TLT and interest from bank account. There used to be an advertising account but moved fund to non TLT as they're looking to put on an event instead of just promoting the event. Though hard to estimate but they expect to get in 8.6% increase if weather turns around at all. They're in a 5 year IGA with the county. And in that IGA it's stated that the percentage from the TLT that's collected – 30% allocated to roads, 70% allocated to tourism. Of the 70%, VTC gets 46%. The rest goes to facilities which is orchestrated and managed at the County. VTC is in charge of Marketing and Promotions. Though beginning and ending balances may seem irregular, the funding from the county comes with a lag time of almost a full quarter. There were questions and concerns as to why that is and if they county pays interest on those funds. Funds come to them with little detail. IGA was written not with that intent but is interpreted this way and to reopen and change verbiage would be a Pandora's Box. It works, but for planning purposes it would be better if the quarters matched up closer. Most of money comes in dead of winter. It also has raised concern/questions about why the large balance at end of year.

Budget Director Blackburn went through the budget for the committee stressing that compared to others around the state, VTC is doing a lot for the community. There's been 150k granted since the program started and it's nice to see VTC and the community working together. Director Devlin added that VTC spends about 20% higher in marketing than the industry standard and 15-20% below standard for personnel.

VTC non TLT fund – income derived from advertising revenue from the visitors guide and also interest income, annual dinner income and expenses. Also contract marketing with Rockaway but that's pretty much in and out from account. They're hoping to grow that account and eventually put on an event. There was a question about EDC funding from county and lottery funds, but there's no way to truly forecast and that it's a best guess scenario each year.

Approval of Proposed Budget

Justin Aufdermauer motioned to amend the budget with a change of line item Contracts - Local, in the EDC General Fund - Resources & Requirements section, to \$65k. Michele Bradley seconded. Justin Aufdermauer motioned to adopt the EDC & Tourism amended budget with said change, Michele Bradley seconded motion. The motion carried.

Adjournment

Meeting was adjourned at 12:47pm.