

Skagit County Jail Finance Committee
December 18, 2013

Approved Meeting Minutes

The meeting was opened at 9:00 a.m. and started with introductions and identification of the Committee members acting on behalf of the respective entities for the meeting were:

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| 1) Anacortes – Philip Steffen | 5) County - Trisha Logue |
| 2) Burlington – Bryan Harrison | 6) County - Ron Wesen |
| 3) Mount Vernon – Alicia Huschka | 7) County - Tim Holloran |
| 4) Sedro Woolley – Eron Berg | 8) Sheriff Will Reichardt |

Also present were: *Susan Musselman, Public Financial Management, Inc.; Johanna Roodzant, Public Financial Management, Inc.; Sharon Dillon, County Commissioner; Charlie Wend, Sheriff's Office; Kevin Rogerson, City of Mount Vernon; Tom Molitor, Sheriff's Office; Jackie Brunson, Sheriff's Office; Will Honea, Skagit Prosecuting Attorney Office; Steve Sexton, City of Burlington; Rachel Lerman, Skagit Valley Herald*

Susan previewed the agenda, which started with review of the terms of the Interlocal Agreement that relate to the Finance Committee.

The committee discussed the need for executives of each party to appoint in writing representatives and alternates, per the Interlocal Agreement. There was discussion about the need to appoint a 9th member to serve as Chair. Discussion ensued about the importance of finding the right person even if it takes more time. It was agreed that nominations could be taken and discussed at the next meeting, and that any nominee should be approached prior to their nomination. Committee members acknowledged it may be challenging to find someone to commit to the full 36 month term.

There was discussion of what decisions should come to the Finance Committee or whether in some cases it may make sense to invite the Coordinating Council to reconvene. Policy decisions or finance decisions? There was discussion about the need for budget review to include both the operations and construction spending, and that some of the tax revenue will be used for the project and some for the Revenue Stabilization Account, per the Interlocal Agreement. It was confirmed that construction decisions are not part of the Finance Committee role and that decisions regarding site selection are not expected to go to the committee. Trisha confirmed that the Jail Fund is set up as an enterprise fund separate from the Sheriff's budget. It was agreed that the Committee should have had an opportunity to discuss the 2014 budget, although the committee didn't convene until late in 2013, so it would be reviewed retrospectively. It was also agreed that it the Finance Committee will see the budget before approval in future years.

After discussion, there was consensus that the committee should review both the annual budget and the overall project budget. It was agreed that as long as expenditures are made within the budget, no further committee review is needed. There was also discussion about the language in the Interlocal Agreement that while the Finance Committee provides budget review and makes a recommendation for the budget, the County Commissioners have statutory authority to approve the budget. It was mentioned that the County has veto authority in certain circumstances, as specified in the Interlocal Agreement.

There was discussion about the preferred process for appointment of a 9th member to serve as Chair and what they will be asked to do, as well as the time commitment. Although the Interlocal says the committee is to meet at least twice per year, the consensus is the committee should meet more frequently for at least six months. There was discussion of a stipend. Susan was asked to draft a position description for discussion by the group by December 31, and she asked for ideas to be sent to her by December 24.

There was discussion of meeting facilitation and staffing for the committee. There was interest in the jail accountant being involved in future meetings and serving as staff to the committee. Trisha clarified that the accounting and staffing is to be done at the expense of the jail fund.

There was discussion of the requirement for the committee to establish and publish rules and procedures. Susan asked if the partners had their own rules and procedures that could be used as a starting point. Anacortes has adopted rules and procedures, which will be provided as a starting point for a draft and Susan agreed to provide a draft for the next meeting.

The committee agreed to the need to meet monthly for at least six months. It was decided to meet January 8th at 9:00 a.m. to 11:00 a.m. with subsequent meetings will be held the second Thursday of each month at 9:00 a.m. to 11:00 a.m., with a goal of finishing by 10:30 a.m., in the County Commissioners Hearing Room February through June. Johanna will send out an Outlook calendar meeting request.

The committee affirmed the plan for PFM to take minutes and agreed that minutes will be reviewed and approved at subsequent meetings. The minutes are County records, subject to public request.

In response to a question, the committee was reminded that an appendix in the Interlocal Agreement set forth costs to be reimbursed to the County from the jail fund. Trisha confirmed that those costs are not included in the 2014 budget, although the County could approve a budget revision to reflect those costs. Susan suggested we put the County costs to be reimbursed on the February meeting agenda to give the County time to put information together.

It was confirmed by the parties that the cities are expected to pay jail bed rates through March with the jail picking up costs starting April 1, 2014. While outsourcing costs will be paid from the County jail fund after April 1, the mechanics need to be worked out. Sheriff Reichardt stated that needs to be a priority since April 1 will be here soon and said he would talk to the police chiefs to discuss process of transition. Burlington and Anacortes stated that they assumed in their budgets that jail alternative programs would end April 1, while Mount Vernon and Sedro Woolley did not make that assumption. There was discussion of the need to be consistent or some will subsidize others.

Susan reviewed follow up items and responsibilities

1. Partner representatives to bring letters indicating appointments to the committee
2. Susan to draft job description for Chair
3. Anacortes to send Susan their rules and regulations; Susan to prepare a draft to be discussed in January
4. Some point in the future Sheriff will bring back proposed outsourcing plan
5. For February meeting, County to provide County costs for reimbursement
6. Jail Alternative costs – bring numbers, costs, qualifications and community benefit to future meeting

The following are proposed agenda items for future meetings

- January
 - 2014 budget review and identify the \$ threshold for significant financial decisions
 - Decision on Chair process
 - Review draft rules and Procedures
 - Cash flow for tax receipts
 - Jail alternatives costs
- February
 - County to provide information on costs for reimbursement from jail fund
 - Medical procedure/policy for discussion of financial impacts
 - Jail outsourcing/transition

APPROVED 1/8/2014