

Skagit County Jail Finance Committee
January 8, 2014

Approved Meeting Minutes

The meeting was opened at 9:00 a.m. and the Committee members acting on behalf of the respective entities for the meeting in attendance were:

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| 1) Anacortes – Steve Hoglund | 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.; Charlie Wend, Sheriff's Office; Kevin Rogerson, City of Mount Vernon; Jackie Brunson, Sheriff's Office; Melinda Miller, Skagit Prosecuting Attorney Office; Steve Sexton, City of Burlington; Marc Estvold, Project Manager; Brad Furlong, City of Anacortes*

The minutes from the December 18, 2013 meeting were reviewed. Ron Wesen moved to accept the minutes, Eron Berg seconded that motion. The minutes were approved.

The committee discussed how to characterize qualifications needed for the chair. The committee is looking for someone willing to chair the committee, conduct meetings, maintain order and coordination. This person needs a basic understanding of governmental agencies. Susan proposed offering a per diem of \$200 per meeting. The chair should be part of the collaborative decision process and without taking one side or the other, the primary function being to facilitate the meeting, keep everyone on the same page and provide tie breaking votes when needed. The intention is to not have the chair ever need to vote, and the chair should know that deadlocks are not expected, due to Chair facilitation. The chair should receive a copy of the interlocal agreement, become familiar with it and understand the long term vision. A sub-committee made up of Alicia Huschka, Steve Hoglund, Will Reichardt and Tim Holloran was formed to discuss potential nominees, narrow down the list of names and bring those names to the committee for discussion at the February meeting. Susan agreed to provide a draft of the description to the parties for review after the meeting, so the parties would have a common description for discussion.

The committee reviewed the draft rules and procedures. There was discussion about (a) whether information from the interlocal should be incorporated; (b) ability of members to request a roll call for votes; (c) whether or not the dates of the meetings should be specified; and (d) how alternates fill in if a member can't attend a meeting. The letters from the cities, county and sheriff should appoint the member and alternate(s). There was discussion that a request to add agenda items should be sent to Chair and staff up to a week before the meeting. The Chair will set the agenda, members can submit items but the Chair will set the agenda for that meeting and may hold items for next meeting. There was discussion on protocol of how to recognize nonmembers during the meeting and it was agreed that nonmember comment can be at the discretion of the Chair.

The 2014 budget was reviewed. There was discussion about adding in the 2013 budget for comparison purposes and to help set a baseline. Changes to future budgets will be based on this first budget so baseline is important. Marc Estvold will provide to Trisha the breakdown for the capital projects. There was discussion about what the committee needs in order to feel comfortable with the budget. It was decided that the finance directors and Eron would meet with Jackie to better understand the 2014 numbers before the next meeting, with the goal of having detail available for discussion on the February agenda.

The committee was updated on a challenge with the .03 percent tax distributions from the State. The State Department of Revenue ("DOR") had stated they would distribute the full amount to the county and the county could distribute what was due to the cities. However, it is the State Treasurer, and not DOR that distributes taxes to the cities or the county, and the State Treasurer is not willing to deviate from their

office practices and statutory rules; they do not want to set precedence, in part due to liability and technical issues. There was discussion of how to manage tax receipts; there will be two jail bills in 2014 and ten tax receipt payments. Kevin Rogerson agreed to lead drafting of a supplement to the interlocal to cover the process of transfers, to avoid audit issues, with the draft to be available for review at the February meeting.

It was clarified that the cities are expected to pay jail bed rates through February with the jail fund picking up costs starting March 1, 2014, not April 1, 2014, as was stated at the prior meeting.

There was a discussion of jail alternatives costs to the cities and the county. The Sheriff collected information from the cities; there was discussion about what the offsetting value/cost to the cities to continue to run the programs, and that there is inequity between the cities if Burlington and Anacortes drop their programs and incarcerate those people, as those costs would be transferred to the jail fund. A suggestion was made that if there is a saving to the jail fund by Mount Vernon and Sedro Woolley keeping their programs they should receive a portion of those savings to offset their costs. It was decided to table this discussion and bring it to another meeting. Additional information needed to bring this back for this discussion: what it costs the county to run alternatives versus outsourcing; should the sheriff meet with city officials running the alternative programs to break down costs?

There was discussion of transition of city outsourcing, which is managed differently by different cities. After discussion it was agreed to keep it as is, and have cities send an invoice to the county and the jail fund will reimburse the cities. The county will draft a proposed supplement to the interlocal to allow reimbursement to the cities for outsourcing, without audit issues.

Susan reviewed follow up items and responsibilities

1. Susan will email the draft description for Chair after the meeting
2. Committee to provide Susan with any edits, comments or suggestions to the rules and procedures and Susan will provide a revised draft before the February meeting.
3. Kevin Rogerson to draft a supplement to the interlocal to cover process of how the cities and the County may handle tax disbursements.
4. Melinda Miller to draft a supplement to the interlocal to cover process of how the cities and the county may handle payment for city outsourcing costs.

The following are agenda items for future meetings

- Discussion regarding review and selection of Chair appointment process and update
 - Subcommittee report
- Committee rules and procedures
- 2014 budget review and identify the \$ threshold for significant financial decisions
- Capital budget review
- Prior year costs for reimbursement from jail fund to the county
- Review of the supplements to the Interlocal
 - City transfers of sales tax receipts to Jail Fund
 - Jail Fund reimbursement for jail outsourcing costs
- Jail alternatives costs
- Medical procedure/policy for discussion of financial impacts

APPROVED 2/13/2014