

**Skagit County Jail Finance Committee**  
**February 13, 2014**

**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:

- |                                  |                           |
|----------------------------------|---------------------------|
| 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; Will Honea, Skagit Prosecuting Attorney Office; Steve Sexton, City of Burlington; Marc Estvold, Skagit County; Scott Thomas, City of Burlington; Mark Venn, Chair Nominee*

The minutes from the January 8, 2014 meeting were provided. It was moved and seconded to approve the meeting minutes.

The committee discussed the rules and procedures draft. It was decided to keep the name as Rules and Procedures rather than "Bylaws." It was decided to add in designation of Skagit County as the custodian of all records of the committee and a postal mailing address at the county for the committee." There was discussion about legal counsel for the committee for needs such as records requests, records retention, OPMA compliance, and it was suggested that the county serve as a legal resource. If a third party has questions about the dealings of the committee, those questions should be put to Melinda Miller, County Assistant Prosecutor so the committee avoids conflict. There was discussion about meeting attendance by conference call – it was agreed it would not be specified in the rules and would be decided on a per request basis. There was discussion if the county should be named custodian and administrator of any funds received or expended by the committee. Trisha Logue said the county can handle any money the committee may need or expend and it was agreed it doesn't need to be added to the rules and procedures.

The subcommittee tasked with the appointment of a Chair (Steve, Alicia, Will, Tim) met to identify a candidate or candidates; Mark Venn agreed to be considered for a one year term. Mark Venn provided a brief introduction: he retired last July from his position as Sedro Woolley School Superintendent. He is focused on giving back to his community. He volunteers at Meals for Wheels, ESD board, has helped with superintendent searches, involved in the Sedro Woolley Rotary, facilitated a number of groups – the Boys and Girls Club and United Way. Eron Berg moved to appoint Mark Venn to the position of Chair, Tim Holloran seconded the motion. Mark Venn was approved as the committee Chair.

There was discussion on the 2014 budget. A subcommittee met, discussed and answered questions. Trisha Logue and Alicia Huschka shared the discussion with the Committee, including the differences between 2013 and 2014. Salaries and benefits are up in 2014, in part due to a new accountant, nurse, and indirect allocation (salaries and benefits for administrative position at sheriff's office). In prior years the maintenance budget was separate from the jail operations. For 2014 these have been combined. The general fund allocation and central services allocation will be based on actual billings. The \$300,000 in general fund allocation includes IT support and liability insurance and this amount has decreased. The booking fees line item was corrected to \$80,000.

There was discussion about the budget for outsourcing, which does not reflect an increase in the line item for outsourcing compared to 2013. It was clarified that the line item will "be what it is" cost-wise, as all of the parties intend to maximize outsourcing opportunities. Sheriff Reichardt said his office is committed to keeping the population at a safe level; the fact that the spending is below budget reflects how difficult it is to outsource. Tim Holloran confirmed that the budget capacity is there. It was clarified that the outsourcing is paid from the Jail budget, which includes the 3/10 of 1% sales tax receipts. Bryan

Harrison asked if it is part of our job as the finance committee to discuss outsourcing and how to spend the money? It was confirmed that at these meetings we will review financials to track spending, the sheriff has the budget and it is up to the sheriff to operate and use the budget, and any “significant budget change” will come back to the committee. Will Reichardt said the cities are to continue outsourcing and submit the bills to the jail. Susan Musselman reminded the committee that the tax receipts are still an estimate. A motion was made to ratify the 2014 budget. The motion was seconded and all approved.

Marc Estvold discussed the capital budget. The Alta survey and as built survey needs to be done, utility location will be done on both potential sites, asbestos and lead survey will be done next week as well as the environmental survey. DLR has started on programming. The plan is to close on a property this year, after going through the process as far as necessary on both properties to get a better estimate of costs., which a goal of choosing the preferred site by late April to early May.

Bryan Harrison felt the costs were very consultant rich and defaulting hiring process to who we have used and throwing out spending amount versus asking for qualifications. Asking for a request for qualifications could open up a chance for significant savings. Tim Holloran said this is a big project with complex rezoning. We have top notch people hired. Tim was willing to have a conversation with Bryan separately. Marc Estvold confirmed we did go out for a request for qualifications for architects and DLR was selected through the process.

Trisha Logue asked if the “significant budget change” amount includes or excludes the capital budget? It was suggested we look at the budget and come up with an amount for the next meeting. It was agreed that the capital and operating budgets should be separated, with the capital budget viewed as a whole and not as yearly budgets. Marc Estvold said the \$60,400,000 is being viewed as a set number but the individual line items may change. The committee decided to wait to approve the capital budget until more details are available and final numbers are available. It was suggested that the Committee should memorialize the separation of the capital budget from the operating budget for the significant change and, therefore, it was agreed to add language to section C-2E of the rules and procedures to clarify it is talking about the operating budget.

There was discussion and review of the proposed amendments to the interlocal agreement relating to the receipt and transfer of sales tax revenue. There was discussion of the need for the cities to get council action monthly, and the cities stressed that is important. The county prefers a more automated process, if it could be achieved. The City Councils need to approve the Interlocal Agreements in March. It was decided the subcommittee will get back together, iron out the agreement, the cities and county will review but the agreement does not need to come back to the finance committee.

There was discussion about jail fund reimbursements to cities for outsourcing costs. The cities are to submit a reimbursement request. There was discussion on the cost of transporting inmates to other jails and it was clarified that the jail agreements generally include transportation to/from the host facility. Bryan Harrison would like to see language added that states transportation costs to be included in bed rates. The sheriff’s office is meeting with Chelan and Yakima to discuss contracts for outsourcing and will report back next month.

Susan reviewed follow up items and responsibilities

1. Eron Berg to provide language to Kevin Rogerson related to Sedro Woolley tax transfers
2. Amendment to interlocal agreement to be ironed out and reviewed by the cities and county

The following are proposed agenda items for future meetings

- March
  - Jail outsourcing/transition
  - Report from Sheriff’s office about meetings with Chelan and Yakima
  - Rules and procedures proposed for approval
  - Identify dollar amount of significant financial decision – 10% per interlocal agreement
  - Project budget - what to expect and when

*APPROVED 3/13/2014*