



SKAGIT COUNCIL OF GOVERNMENTS BOARD OF DIRECTORS MEETING

Wednesday, July 18, 2018

Anticipated start time is 2:00 p.m. following the Transportation Policy Board meeting

[Burlington City Council Chambers](#)

833 South Spruce Street, Burlington, WA 98233

AGENDA

1. **Call to Order and Roll Call**
2. **Public Comment** (three minute limit per person)
3. **Chair's Report**
4. **Executive Director's Report**
5. **Consent Agenda**
 - a. Approval of [June 20, 2018 Board of Directors Meeting Minutes](#)
 - b. Approval of [Accounts Payable Vouchers](#) and Payroll Certification
AP voucher batch #124143, and #124400 in an amount totaling \$18,065.83; and payroll certification for June 2018 in the amount of \$30,825.
6. **Discussion Items**
 - a. [2019 Proposed Dues and Initial Budget](#) – *Kevin Murphy*
7. **Roundtable and Open Topic Discussion**
8. **Next Meeting:** Wednesday, August 15, 2018, 2:00 PM, [Burlington City Council Chambers](#)
9. **Adjourned**

Information:

[SCOG Financial Update](#)

[Meeting Packet](#)

Title VI Notice: SCOG fully complies with Title VI of the Civil Rights Act of 1964 and related statutes and regulations. For more information, or to obtain a Title VI Complaint Form, visit SCOG's website at <http://scog.net/about/nondiscrimination/>.

Notificación del Título VI: El SCOG cumple plenamente con el Título VI de la Ley de Derechos Civiles de 1964, así como los estatutos y reglamentos relacionados. Si desea más información o tener acceso al formulario de denuncia del Título VI, visite la página web del SCOG <http://scog.net/about/nondiscrimination/>.



BOARD OF DIRECTORS OFFICERS

Mayor Jason MillerChair

Mayor Laurie GereVice-Chair

BOARD OF DIRECTORS MEMBERSHIP AND VOTES

Anacortes.....1
 Burlington1
 Concrete.....1
 Hamilton.....1
 La Conner1
 Lyman1
 Mount Vernon1

Port of Anacortes.....1
 Port of Skagit.....1
 Samish Indian Nation.....1
 Sedro-Woolley1
 Skagit County3
 Skagit Public Utility District.....1
 Swinomish Indian Tribal Community1

QUORUM REQUIREMENT

A quorum consists of a simple majority (9) of the total votes (16).

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SKAGIT COUNCIL OF GOVERNMENTS
BOARD OF DIRECTORS
MEETING MINUTES

Wednesday, June 20, 2018
Sedro-Woolley City Council Chambers
Sedro-Woolley, Washington

MEMBERS PRESENT

Mayor Jason Miller, Town of Concrete, Chair; Mayor Laurie Gere, City of Anacortes, Vice-Chair; Mayor Jill Boudreau, City of Mount Vernon; Mayor Joan Cromley, Town of Hamilton; Commissioner Ken Dahlstedt, Skagit County; Commissioner Ken Goodwin, Port of Anacortes; Mayor Ramon Hayes, Town of La Conner; Commissioner Lisa Janicki, Skagit County; Mayor Julia Johnson, City of Sedro-Woolley; and Mayor Steve Sexton, City of Burlington.

STAFF PRESENT

Kevin Murphy, Executive Director; Pam Carlson, Finance Manager; Mark Hamilton, Senior Transportation Planner; and Rose Howe, Assistant Planner.

MEMBERS OF PUBLIC PRESENT

Six members of the public attended the meeting.

MINUTES

1. Call to Order: Mayor Miller called the meeting to order at 2:00 PM.
Roll Call: Roll was taken with a quorum present.
2. Public Comment: Susan Pole, a resident of Sedro-Woolley, introduced the course “Getting Ahead in a Just-Gettin’-By World” to the Board. Ms. Pole then distributed flyers to Board members. Ms. Pole explained the goal of the course is to help people participate in and build communities where everyone lives well. Ms. Pole also explained students are encouraged to investigate the communities they live in, and the current class represents Anacortes, Bow, Burlington, Mount Vernon and Sedro-Woolley. Ms. Pole reported Community Action sponsors the course.
3. Chair’s Report: Mayor Miller had no items to report.
4. Executive Director’s Report: Kevin Murphy reported there is a link to the Skagit Council of Governments (SCOG) 2017 Annual Report in the agenda packet, since the electronic-only report will not be printed this year. Mr. Murphy also reported there will be a celebration of the Swift Center at its opening next Friday, June 29.
5. Consent Agenda
 - a. Approval of the May 16, 2018 Board of Directors Meeting Minutes
 - b. Approval of Accounts Payable Vouchers and Payroll Certification
AP voucher batch #123757 and #124030 in an amount totaling \$13,832.73; and payroll certification for April 2018 in the amount of \$30,576.
Mayor Boudreau moved to approve the consent agenda, and Commissioner Dahlstedt seconded the motion. The motion carried unanimously.
6. Action Items
 - a. Budget Amendment: Kevin Murphy reported, as part of an action taken by the Transportation

Policy Board last month, SCOG staff has included the website update in the state fiscal year work program. In order for SCOG staff to execute the website update, the update needs to be included in the SCOG budget. Mr. Murphy stated the proposed budget amendment is \$5,000, and the budget amendment request will allow SCOG to contract with a vendor.

Mayor Boudreau asked if staff will be able to make changes to the website as necessary after a consultant updates the site. Mr. Murphy replied SCOG staff does much of the maintenance already, and will continue to do so after the update. Mr. Murphy also reported hiring a summer intern with web development skills to help with the project.

Mayors Hayes moved to approve the budget amendment as presented. Commissioner Dahlstedt seconded the motion and it carried unanimously.

- 7. Roundtable and Open Topic Discussion: No items were discussed.
- 8. Next Meeting: Wednesday, July 18, 2018, 2:00 PM, Burlington City Council Chambers
- 9. Adjourned: 2:06 PM

Information Items: The Board of Directors were provided with a monthly financial update and a link to the SCOG 2017 Annual Report.

Approved,

Kevin Murphy, Executive Director
Skagit Council of Governments

Dated: _____

Mayor Jason Miller, Town of Concrete
Board of Directors Chair
Skagit Council of Governments

Dated: _____

SKAGIT COUNCIL OF GOVERNMENTS

BATCH NUMBER: 124143

JUNE 2018

BATCH TOTAL: \$7,180.33

| NO. | Vendor Name | Invoice Number | Invoice Date | GL Code | Inv Amount |
|---------|----------------------------------------------------------|----------------|--------------|----------|------------|
| 2018116 | Employee Healthcare Benefits Association of WA Cities | 07-2018 | 06/19/18 | 501 2400 | \$7,180.33 |

BATCH NUMBER: 124400

JULY 2018

BATCH TOTAL: \$10,885.50

| NO. | Vendor Name | Invoice Number | Invoice Date | GL Code | Inv Amount |
|---------|------------------------------------------------------------------------|----------------|--------------|----------|------------|
| 2018117 | Dues & Subscriptions US Bank Visa | | 06/10/18 | 501 4910 | \$264.51 |
| 2018118 | Travel US Bank Visa | 69303 | 06/19/18 | 501 4910 | \$662.12 |
| 2018119 | Supplies US Bank Visa | | 06/26/18 | 501 4910 | \$31.81 |
| 2018120 | Conferences & Training US Bank Visa | 33081996 | 06/27/18 | 501 4910 | \$500.00 |
| 2018121 | Fees US Bank Visa | 165674587 | 06/27/18 | 501 4910 | \$19.95 |
| 2018122 | Postage US Bank Visa | | 06/28/18 | 501 4910 | \$13.40 |
| 2018123 | Fees US Bank Visa | 1185711 | 06/28/18 | 501 4910 | \$12.00 |
| 2018124 | Computer & Software Expense Environmental Systems Research Institue | 93474653 | 06/12/18 | 501 4910 | 434.80 |
| 2018125 | Professional Services Shred-It | 8125035686 | 06/22/18 | 501 4910 | \$31.03 |
| 2018126 | Supplies Crystal Springs | 62418 | 06/24/18 | 501 4910 | \$52.49 |
| 2018127 | Copier Lease & Printing Ricoh USA, Inc. | 100739064 | 06/25/18 | 501 4910 | \$380.96 |
| 2018128 | Supplies Collins Office Supply | 0108913-001 | 06/29/18 | 501 4910 | \$162.92 |
| 2018129 | Professional Services KFH Group, Inc. | 5537(1810-1) | 06/30/18 | 501 4910 | \$3,867.28 |
| 2018130 | Professional Services Green Valley Clean | 201 | 06/30/18 | 501 4910 | \$265.00 |
| 2018131 | Expense Reimbursement Kevin Murphy | | 06/30/18 | 501 4910 | \$18.20 |
| 2018132 | Expense Reimbursement Mark Hamilton | | 06/30/18 | 501 4910 | \$297.02 |
| 2018133 | Utilities City of Mount Vernon | | 06/30/18 | 501 4910 | \$20.94 |
| 2018134 | Utilities Waste Management | 0559857-0043-8 | 07/01/18 | 501 4910 | \$71.19 |
| 2018135 | Dues & Subscriptions EDASC | P01/136-18 | 07/02/18 | 501 4910 | \$500.00 |
| 2018136 | Utilities Puget Sound Energy | Suite 100 | 07/02/18 | 501 4910 | \$46.33 |
| 2018137 | Utilities Puget Sound Energy | Suite 101 | 07/02/18 | 501 4910 | \$33.55 |
| 2018138 | Rent NECA | | 07/31/18 | 501 4910 | \$3,200.00 |

DISCUSSION ITEM 6.A. – 2019 PROPOSED DUES AND INITIAL BUDGET

Document History

| MEETING | DATE | TYPE OF ITEM | STAFF CONTACT | PHONE |
|--------------------|---------------|--------------|------------------------------|--------------|
| Board of Directors | July 18, 2018 | Discussion | Kevin Murphy | 360-416-7871 |

RECOMMENDED ACTION

NA

FISCAL IMPACT

Proposed dues increase for 2019 is 3%, or \$3,971 higher than 2018 dues.

Initial 2019 budget is approximately \$42,000 increase from 2018 budget.

DISCUSSION

Each year SCOG establishes the annual dues in August to provide members information for upcoming budget development. Two years ago, the Board of Directors suggested dues should increase by a small amount each year to avoid large increase every few years.

The table below shows the current 2018 dues and recommended 2019 dues with updated population and retail sales tax data.

Below is a summary of the initial 2019 budget. The final budget will be adopted in the late fall, usually at the October or November meeting. The initial 2019 budget includes current staffing levels, direct costs consistent with the current adopted Unified Planning Work Program and current staffing and agency operational costs.

BACKGROUND

The local dues pay for the match requirements on the federal and state transportation grant expenditures adopted in the Unified Planning Work Program (UPWP). In addition, dues covers 100% of the local costs associated with non-grant funded work such as economic and housing planning.

Dues Allocation Formula

The dues to members are established by an allocation method, starting with the total dues amount established by the Board. The proposed 2019 dues are \$136,306. This amount is allocated based on the following:

1. 78 percent of the total is to be supported by county, cities, and towns. Dues are allocated to each by the percent distribution of population and retail sales tax for each jurisdiction.

Population is weighted by a factor of two. ((% population distribution x 2) + % retail sales tax distribution)/3 = percent distribution of the \$106,440).

2. Distribute the remaining \$29,864 by the following percent distribution. Percentages were based on historical levels and adjusted in 2014 to have Skagit PUD dues equal to the tribes and adjusted to have both Ports contribute the same starting in 2018.
 - a. PUD, Samish, and Swinomish each - 4.7%
 - b. Port of Anacortes and Port of Skagit each - 33.2%
 - c. Skagit Transit - 19.5%

2019 Dues and Comparison to Current 2018 Dues

| 2019 Proposed | | | |
|----------------------|----------------|----------------|--------------|
| Member | Current 2018 | 2019 Proposed | Difference |
| Anacortes | 14,130 | 14,723 | 593 |
| Burlington | 14,532 | 14,856 | 324 |
| Concrete | 534 | 518 | -16 |
| Hamilton | 220 | 214 | -6 |
| La Conner | 1,100 | 1,067 | -33 |
| Lyman | 292 | 292 | 0 |
| Mount Vernon | 27,081 | 27,987 | 906 |
| Sedro Woolley | 7,772 | 8,114 | 342 |
| Skagit County | 37,679 | 38,670 | 991 |
| P.U.D. | 1,353 | 1,394 | 41 |
| Samish Tribal Nation | 1,353 | 1,394 | 41 |
| Swinomish Tribe | 1,353 | 1,394 | 41 |
| Port of Anacortes | 9,634 | 9,923 | 289 |
| Port of Skagit | 9,634 | 9,923 | 289 |
| Skagit Transit | 5,667 | 5,837 | 170 |
| Total | 132,335 | 136,306 | 3,971 |



| 2019 Proposed Budget | | | |
|-------------------------------------------------------|------------------------------|-------------------------------|---------------------------------|
| Presented to the Board of Directors for Review | | | |
| July 18, 2018 | | | |
| | 2018 | 2019 | |
| | Amended 6/20/2018 | Proposed 7/18/2018 | Increase or Decrease |
| REVENUE | | | |
| Local Dues and Other | \$ 158,334 | \$ 162,304 | |
| State | 69,556 | 81,154 | |
| Federal | 643,832 | 653,927 | |
| RLF Interest & Fees (also Federal) | - | - | |
| Total Revenue | \$ 871,722 | \$ 897,385 | \$25,663 |
| EXPENSES | | | |
| Salaries | \$ 339,411 | \$ 331,347 | |
| Payroll Taxes & Benefits | \$ 164,084 | \$ 166,643 | |
| Total Salaries, Payroll Taxes & Benefits | \$ 503,495 | \$ 497,990 | (\$5,505) |
| Other Expenses | | | |
| Operating Expenses | \$ 220,185 | 100,085 | \$ (120,100) |
| Professional Services | 115,500 | 257,005 | 141,505 |
| Total Other Expenses | \$ 335,685 | \$ 357,090 | \$21,405 |
| Total Expenses | \$ 839,180 | \$ 855,080 | \$15,900 |
| Net Increase (Decrease) in Cash | \$ 32,542 | \$ 42,305 | |

Financial Position

| For the Month Ended: | 6/30/2018 | 5/31/2018 | 4/30/2018 | 3/31/2018 | 2/28/2018 | 1/31/2018 | 12/31/2017 |
|----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| General Fund Balance | 243,706 | 267,267 | 285,845 | 304,063 | 246,164 | 255,633 | 231,689 |
| Accounts Receivable | 93,493 | 61,655 | 74,411 | 52,494 | 109,939 | 108,823 | 43,149 |
| Accounts Payable | (10,110) | (9,260) | (29,211) | (29,850) | (32,498) | (49,201) | (6,705) |
| Net Working Capital | <u>327,089</u> | <u>319,662</u> | <u>331,045</u> | <u>326,707</u> | <u>323,605</u> | <u>315,255</u> | <u>268,133</u> |