

FINANCE COMMITTEE REPORT

July 06, 2010

A Finance Committee meeting was held Tuesday, July 06, 2010, at 2:30 p.m. in the County Administration Building, Quorum Court meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: Wozniak, Wolf, Moore, Allen, Stephenson
Absent: Brown, Stephenson

Others Present: JP Jay Harrison, JP Frank Winscott, JP Bobby Hubbard, JP Shirley Sandlin, Director of Public Services Chris Glass, Director of Public Safety Greg Hines, Human Resource Manager Barbara Ludwig, JDC Director Dennis Cottrell, Collector Gloria Peterson, Comptroller Richard McComas, Accounting Manager Michele Anderson, Grants Administrator Richard Redfearn, Benton County Health Department Director Loy Bailey

Tom Sisson - Benton County Daily Record

JP Kurt Moore called the meeting to order.

PUBLIC COMMENTS:

None

1. Administrator Report

Grants Administrator Richard Redfearn reported on current grants, and stated that a Hazard Mitigation Grant for Stagecoach Road Bridge upgrade had been submitted to the Department of Emergency Management.

Richard McComas stated that they are asking for an appropriation ordinance to approve a carry over of unused funds from the 2009 SAMHSA (Substance Abuse Drug Court) grant to 2010 Budget in the form of an ordinance request.

JP Moore made motion that the SAMHSA grant appropriation ordinance request be put on the floor, seconded by JP Wolf.

Comptroller Richard McComas stated that this appropriation ordinance request is for the unused portion of \$71,732.80 of the 2009 SAMHSA (Substance Abuse Drug Court) grant funds which were not expended in 2009.

JP Wolf made motion that the SAMHSA (Substance Abuse Drug Court) appropriation ordinance request for \$71,732.80 be forwarded to the July 13, 2010 Committee of Thirteen agenda, seconded by JP Stephenson.

Motion passed by unanimous show of hands.

Discussion was held on the grants administrator report, grant money received, and grants that required a county match. Richard Redfearn stated that he would prepare a report on the grants that had been submitted, grants to be received, and grants that would require a county match.

2. Collector

Collector Gloria Peterson stated that in April 2009 the Collector's office had purchased 9 check scanners for a total cost of \$18,424. She stated that the department felt that it was necessary to purchase an additional 8 check scanners, for the department to function properly. She added that the additional scanners will cost \$13,600, and that the funds are in the Collector's budget. She stated that because of the cost of the nine scanners purchased earlier in the year, this purchase would put the department over the \$20,000 expenditure limit, so the scanners have been put up for bid and the bids will be opened July 07, 2010 at 10:00 a.m. She stated that the funds would be coming out of the Collectors Automation Fund 065, Line Item 5180.

3. Road Department

Director of Public Safety Greg Hines recognized Christopher M. Griffin of Keith, Miller, Butler, Schneider & Pawlik, PLLC and stated that the firm was hired to represent the county because County Attorney George Spence had a potential conflict and has rescued himself. Greg Hines stated that the Lance Ashmore vs. County of Benton, Arkansas case has been on going since 2006.

Christopher Griffin stated that the Ashmore vs. County of Benton, Arkansas lawsuit has been pending since the road work was completed in the summer of 2006, and at the same time the new Centerton School was built. He stated the original lawsuit included five separate causes of action, but has been pared down to a single complaint of adverse condemnation. Christopher Griffin stated that adverse condemnation is an instance when a government entity uses a person's property in some way without actually condemning it or going through eminent domain proceedings. He added that in this case the complaint is that the road work raised the elevation of Gamble Road and changed the grade of Mr. Ashmore's driveway and Cutberth Lane where they intersect with Gamble Road, and that these changes have caused significant damage to Lance Ashmore's home and property

Lengthy discussion was held on the Ashmore vs. Benton County, Arkansas lawsuit and the property damage charges involved with Lance Ashmore's property.

Christopher Griffin stated that Benton County received a settlement offer of \$43,350, if the county decides not to pursue the case in court. He stated that fighting the case through the county court, with a likely circuit court appeal, would cost an equivalent amount with no guarantee of the results. He added that Benton County could spend more than that to fight the case and still end up on the hook. Griffin stated that the county would spend more than \$43,000 on engineers, appraisers, and other experts, along with the legal fees. He added that from a strictly financial perspective, it is smart to settle it. JP Moore stated that it would be nice to deal with this and never have to deal with it again. JP Allen stated he needed more time and information before he could support a proposal to settle the case; that he wants to do the right thing but he doesn't want to encourage other lawsuits against the county. JP Moore stated that he would like to bring attention to the court that we do not have a County Attorney on retainer and that any legal fees concurred in the process of this lawsuit will be paid by the county.

JP Allen made motion to prepare an appropriation ordinance request for the \$43,350 settlement for the Lance Ashmore vs. Benton County, Arkansas lawsuit, without recommendation from the Finance Committee, for the July 13, 2010 Committee of Thirteen agenda, seconded by JP Wolf.

Further discussion was held on whether or not to settle the lawsuit and the costs involved with both options.

Motion passed by unanimous show of hands.

JP Hubbard stated that he was requesting information involving the Road Report and the Road Department projects; and that he wanted to know what the Road Department budget was for the year and a breakdown of how the money had been spent.

Greg Hines stated that all the information for the break down (actual costs of labor, equipment and material) is available on the computer. He stated that the primary function of the Road Department is road maintenance, so the monies that have been allocated for capital projects are easily tracked.

JP Wolf requested a ten minute break.
Committee back in session.

4. Items Forwarded From Personnel Committee 06-25-10

a.) Change to Schedule-4 Tax Collector

- 01. Delete Software Specialist (Professional)*
- 02. Add Software and Research Support Assistant (Grade 9)*

JP Wolf stated this was forwarded from the June 25, 2010 Personnel Committee meeting and that this is to delete a Software Specialist position and add a Software and Research Support Assistant position. She added this will result in a savings of \$10,260 to the Tax Collector budget. JP Wolf made motion to forward to the June 13, 2010 Committee of Thirteen agenda, seconded by JP Wozniak

Motion passed by unanimous voice vote.

b.) Reorganization Road Department – Bridge Crew

- 01. Delete (1) Heavy Equipment Operator – grade 6 and (2) truck drivers – Grade 5*
- 02. Add (1) Bridge foreman – Grade (9) Form Setter/Finisher – Grade 6, and (1) Welder/Fabricator – Grade 6*

JP Wolf stated that this was forwarded from the June 25, 2010 Personnel Committee meeting and that this is a reorganization for the Road Department – Bridge Crew. She stated that this would be a benefit for the Bridge Crew when advertising for the position. She added that now when they currently advertise, they are asking for Truck Drivers, and that is not what they need.

Greg Hines stated that when the department was created, all subordinate positions were titled Truck Driver..

JP Wolf stated that there would be an impact on the 2010 Budget impact of \$865.35 and \$2,249.92 for the annual budget. JP Wolf made motion to forward the Road Department reorganization request to the July 13, 2010 Committee of Thirteen agenda, seconded JP Wozniak.

JP Moore stated that the Changes to Schedule 4, the Tax Collector request and the Road Department Reorganization request would be on the same ordinance.

Motion passed by unanimous voice vote.

c.) Request for Waiver of Policy: Hire-in-rate Road Department NW Crew

- 01. To exceed the maximum hire-in-rate of \$13.57 for the position of heavy equipment*

Operator and replace with the rate of \$14.61 due to the extensive experience of the person being hired.

JP Wolf stated that this Waiver of Policy request was forwarded from the June 25, 2010 Personnel Committee meeting. Greg Hines stated that this waiver is necessary due to the extensive experience of the person being hired, and that there will be no budget impact. JP Wolf made motion to forward a resolution for the Waiver of Policy request to the July 13, 2010 Committee of Thirteen agenda, seconded by JP Wozniak.

Motion passed by unanimous show of hands.

5. Health Department

Richard McComas stated that this appropriation ordinance request for \$127,000/00 is for costs associated with moving the Health Department to the Center for Non-Profits. JP Stephenson made motion to forward the appropriation ordinance request to the July 13, 2010 Committee of Thirteen agenda, seconded JP Wolf.

JP Winscott questioned why a nurse call system was being included in the moving costs and asked if it should have been built into the renovation that was being done.

Benton County Health Director Loy Bailey stated that the nurses call system is not functioning, and the quotes for removing and reinstalling the old one was more than the quote for installing a new system. Further discussion was held on the moving costs involved for moving the Health Department to the Center For Nonprofits.

Motion passed by unanimous show of hands.

6. Juvenile Detention

JDC Director Dennis Cottrell reported on the Juvenile Detention Center and the number of intakes and the average length of the stay. He stated that the Juvenile Judge decides how long a juvenile is sentenced to the JDC. He stated that they are at a very low average at 8.4 days per juvenile. JP Stephenson questioned when the bids would be let for the work on the new Juvenile Justice Center. JP Winscott stated that the architect's final drawings and plans have been submitted to the State and that they have given a verbal preapproval. Dennis Cottrell stated that after the working drawings and specs are done that the State has to approve it one more time. JP Winscott stated that the bid package is to go out September 15, 2010. Dennis Cottrell added that by the middle of October the bids, will be back to present to the Committee.

7. Sales Tax Numbers

Richard McComas stated that sales tax receipts grew by 15.09% over the same month last year. He stated that the City of Bentonville had a increase of slightly over 40%, and that Rogers had less than a 5% increase. He stated that the county's June receipts jumped from \$667,672 in 2009 to \$768,436 in 2010. He added that the unusual increase made him wary of the numbers.

8. Jail Collections

Richard McComas stated Jail collections are up \$84, 431 for the year.

9. Fuel Summary

Michele Anderson reported a 35% increase in unleaded fuel expense, compared to last year when unleaded was \$1.80 per gallon, and said that diesel fuel costs have increased 48% from \$1.59 per gallon in 2009 to the current \$2.35 per gallon.

10.Monthly Expenditure Report

Michele Anderson stated funds should be at 50 % overall, and that the General Fund is at 47.18 %, and the Road Department is at 41.66% for an overall total of 35.89%. Richard McComas stated that he wanted to point out that this only includes twelve payrolls, and that the second half of the year will include fourteen payrolls. He said that while personnel costs are only running at 45% at this time, two months out of the next six we will have three payrolls.

11.Six Month Summary of Revenue

Richard McComas gave a brief report on the current 6-month Summary Revenue Report. He stated that the upcoming report will give better numbers.

12.Other Business

JP Moore announced the next Finance Committee Meeting will be held Monday, August 2, 2010 at 2:30 p.m.

Upon motion and second the meeting adjourned at 4:35 p.m.