

March 4, 2008

FINANCE COMMITTEE REPORT

A Finance Committee meeting was held Tuesday, March 4, 2008 at 2:30 p.m. in the County Administration Building, Quorum Court meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: Harrison, Hobbs, Stephenson, Summers, Moore, Wozniak

Others Present: County Judge Gary Black, Assessor Bill Moutray, County Clerk Mary L. Slinkard, Michele Anderson, Captain Hunter Petray, Kathy Bannister, Dennis Greenlee

Media: Scarlett Simms – Morning News; Tom Treweek – Benton County Daily Record

JP Tim Summers called the meeting to order at 2:30 p.m.

PUBLIC COMMENTS:

None

1. Grants Administrator Report

Grants Administrator Kathy Bannister stated that they will need a Resolution to apply for a grant for equipment for the Gallatin Fire Department, with no county match. She said they may also have a Resolution for a grant for Drug Court, but are still researching it to see if they can apply for it.

2. Juvenile Detention Center Donation

Michele Anderson stated that Wal-Mart has donated \$300 for assistance to other counties to attend the Judge's Association Meeting, and \$700 for recreational equipment for the Juvenile Detention Center, and they will need to make a budget adjustment later in the year. JP Hobbs made motion to forward approval to the March 11, 2008 Committee of Thirteen agenda, seconded by JP Stephenson. Motion passed by unanimous show of hands vote.

3. Sales Tax

Michele Anderson stated that sales tax revenue is down 1.7% from the same time last year, including Bella Vista's receipts. She said that next months receipts will be the first month that will show a true comparison to sales tax collections from the previous year, since that is this the first month that Bella Vista was not included in the county's share. JP Summers noted that is good compared to some of the area cities.

4. Jail Collections

Captain Hunter Petray reported that the State Department of Corrections has caught up with their bills from November and December 2007. He noted that today's inmate population is 511 prisoners. JP Stephenson asked when they are planning to implement an increase in the amount charged to cities for housing city prisoners. Captain Petray stated that they currently charge \$32.50 for city prisoners and the State pays \$28. JP Stephenson stated that it has been determined that the actual cost per prisoner is \$35. Captain Petray stated that raising the fee

has been discussed, and that most jails are charging \$50 per day. JP Moore asked if they are currently housing any D.O.C. prisoners other than the ones they are required to keep. Captain Petray stated that they do not have any D.O.C. prisoners from other counties, only the ones from Benton County which have been sentenced to a State prison which has no space available. He said that they currently are housing 27 Federal prisoners. JP Wozniak asked if the cities stay current on their payments. Captain Petray stated that there are no issues with the cities keeping up with their payments. JP Hobbs asked if they could raise the city prisoner fee to \$35 since they now know that is the cost per prisoner. She said that Sheriff Ferguson told her that he believed it had been at least 10 years since the last increase. JP Summers asked Captain Petray to check with the County Attorney to see what is required to increase the fee. The committee discussed the percentage of city and county prisoners in the jail population, the increase in the number of female prisoners, and the breakdown of the fines and court costs that are collected. JP Hobbs asked what the Sheriff's Department's philosophy is concerning working with D.A.R.P. in Decatur, because it is her understanding that the Director is trying to work with the Sheriff's Department to help identify some inmates who would qualify for his program. Captain Petray stated that he would have to defer that question to Sheriff Ferguson. Captain Petray noted that one of the biggest contributions to the overcrowding problem is that the Department of Corrections grants parole to a prisoner, and it is only a matter of time before he is back in the county jail, and it is a repeating pattern.

5. 2007 Clean Up Ordinance

Michele Anderson stated that the majority of the 2007 clean up ordinance is simply transferring amounts between line items and subcategories. She noted additional appropriations in the Sheriff's Department, Non-Departmental Maintenance, Jail, Search and Rescue, Siloam Springs Municipal Court, and Drug Court. She noted that they expect returned appropriations will total \$1.1 million when the 2007 books are closed out. JP Stephenson made motion to forward an ordinance request to the March 11, 2008 Committee of Thirteen agenda, seconded by JP Moore. Motion passed by unanimous show of hands vote.

6. 2008 Fuel Summary

Michele Anderson stated that the average fuel cost per gallon has nearly doubled from January-February 2007. County Judge Gary Black stated that Road Department Fleet Manager Dennis Greenlee has prepared a report on steps taken by the Road Department to conserve fuel usage, which was requested by the committee. Dennis Greenlee stated that the new fueling system implemented in July of 2007 saves the county between 8 cents to 15 cents per gallon. He noted that the last load of fuel purchased was \$3.02 per gallon, but the load to replace it will be \$3.15, which includes a 6-cent state sales tax that they are now required to pay. He said the supplier could not explain why, other than it is something new that the state is requiring, and he did not know if it is money that the county gets back or not. JP Stephenson stated that they should ask the County Attorney to check on that for an explanation.

Dennis Greenlee described a monitoring system that he would like to implement, which involves a card containing a computer chip assigned to each vehicle, and could track such things as fuel usage, when the vehicle needs to be serviced, and could even be set to cut the engine if it idles for too long a period. He said that the estimated cost is a little over \$200 per

vehicle, and he feels it is something they should consider for the 2009 budget. He stated that they have also increased service intervals for both the diesel equipment and small vehicles, and are replacing only the oil filters, while taking frequent oil samples to make sure there is no harm to the engines. He said it not only saves cost, but also reduces the consumption of oil. JP Stephenson suggested that the service could be increased to 5,000 to 6,000 miles to save further on maintenance costs with no harm to the engines. He also stated that it is not necessary to use premium fuels, which are more expensive, because it does not make a bit of difference to a vehicle. Dennis Greenlee stated that they do not use premium grades, and as a matter of fact purchase grade-2 diesel, even though occasionally he has had to argue with vendors about honoring warranties. JP Hobbs suggested that since there is presently so much emphasis on “going green” that there might be a grant available to help pay for the monitoring system.

7. Monthly Fund Summaries

Michele Anderson stated that 2008 expenditures should be at 16.66%, but “Salaries” is at 18.62% because there were three pay periods in February, and Northwest Arkansas Regional Planning has already been paid for the entire year out of Department 01 “Other Services”. She said several other accounts are at a high percentage due to vehicle purchases and liability insurance which has been paid for the entire year. She noted that overall the budget is at 17.16%.

8. Other Business

County Clerk Mary Lou Slinkard was recognized and went over the 2007 Financial Reports. She noted that they did meet the deadline which was required for the Assessor’s office to receive funding, although she is not sure what formula is used by the State Assessment and Coordination Department to distribute those funds to the schools. She said that the Final Settlement was completed a few days late, but the Annual Financial Report was published by February 15, as required by law. She noted that she is very pleased that the reports are finalized, considering how busy the office of the County Clerk has been lately. She added that a distribution of \$1,597,424.00 in 2006 collections assessed in 2005 was filed in her office yesterday, and that money will go to all of the various entities. She said there was also an adjustment to this year’s final settlement because the timber tax calculations were incorrect, in the amount of approximately \$50,000. JP Summers suggested that the committee members contact the County Clerk if they have any questions.

County Clerk Mary Lou Slinkard announced that early voting has begun for the March 11, 2008 Bentonville Schools Millage Election and that filing for county offices is underway and ends at 12 noon on Monday, March 10. She noted that the County Clerk’s office, as well as the Election Commission, has several upcoming deadlines for various elections in addition to the May 20, 2008 Primary Election, and her office is also busy processing a large volume of voter registration applications.

JP Summers announced that the next Finance Committee meeting will be **April 8, 2008 at 3:30 p.m.**, and the Committee of Thirteen will meet at 6:00 p.m.

After motion and second the meeting adjourned at 3:21 p.m.