

## FINANCE COMMITTEE REPORT

January 6, 2011

A Finance Committee meeting was held Tuesday, January 6, 2011 at 5:00 p.m. in the County Administration Building, Quorum Court meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: Allen, Moore, Jones, Harrison, Douglas, Winscott

Others Present: County Judge Bob Clinard, Comptroller Richard McComas, Accounting Manager Michele Anderson, Grants Administrator Richard Redfearn, Administrator of Public Service Gary Black, Administrator of Public Safety Marshal Watson, Administrator of General Services Elizabeth Bowen

Tom Sissom – Benton County Daily Record

JP Allen called the meeting to order

### **PUBLIC COMMENTS:**

None

### **Grants Administrator Report**

Grants Administrator Richard Redfearn stated that a continuation grant application for the Substance Abuse and Mental Health Services Administration grant (SAMHSA) Drug Court grant has been made, and stated that a resolution will be needed for approval of the grant application. He added that the continuation proposal is due in March, and that the county match will be \$23,170.

Richard Redfearn reported on the Energy Efficiency and Conservation Block Grant, (EECBG) stating that the final walk-thru and punch list has been completed for the Administration Building; a contract has been signed for the work to be done on the courthouse; and the west side Road Yard project is being studied. Richard Redfearn noted that he is working on a new spreadsheet type format for the Grants Report.

JP Winscott made motion forward a resolution request for the continuation of the Substance Abuse and Mental Health Services Administration (SAMSHA) Drug Court grant to the January 11, 2011 Committee of Thirteen agenda, seconded by JP Douglas.

Motion passed by unanimous show of hands.

### **Sales Tax Numbers**

Richard McComas stated that monthly sales tax collections were up 12.5% over the previous year, with a year-to-date increase of 4.64%, which put collections 4.56% above the 2010 projections.

JP Winscott asked what normally happens to monies that are left over out of the past years' budget. Richard McComas stated that returned appropriations go back into reserves and all revenue goes into the General Fund.

Brief discussion was held on how the county accounts for the added sales tax revenue and how it might be used.

JP Allen stated that there is still a lot that has to be taken into account as far as property taxes and anything else the county will be getting. He added that there have been some really good numbers for sales tax collections, but we don't know what we might get hit with, and that we could see a decrease of anywhere from 5 to 15 or 20 percent.

JP Moore stated that typically once money is transferred to reserves we know that we can leave it there, and then when the reserves are built up enough, they can plan ahead and make the allocation over to Capital or something else.

### **Jail Collections**

Richard McComas stated that \$1,883,159 has been received in Jail Collections for the year, and they had budgeted \$1.4 million for 2010, for a total of \$483,159 over budget. He added that \$1.6 million has been budgeted for 2011.

County Judge Bob Clinard stated that one of the legislative issues that they are going to be talking to the Arkansas Association of Counties is jail reform, specifically the PEW study. He asked how this income would be affected by any restructuring or changes in the law, and added that that should be properly addressed. He stated that there has been some talk at the state level about reducing the number of inmates in state prisons and in county jails, and that would reduce the amount of reimbursement to the county. He stated that what they are looking at is raising the level of what it takes to get sent to prison and paroling more people, and that would reduce the population. He stated that the county needs to monitor this legislation, as this could affect the budget projection for the year.

JP Moore stated that the \$28.00 per day allowed by the state for each inmate does not cover the county's cost to house the prisoners.

### **Fuel Summary**

Accounting Manager Michele Anderson stated that there are still some bills coming in so the numbers could change until we close out 2010. She stated that the Sheriff's Department and Jail had \$500,000 budgeted for 2010, and as of December 30, 2010, they have spent \$385,798. She added that the Road Department budget was \$834,000 and they should finish the year under budget, with \$786,772 spent to date. She stated that average fuel costs have increased 14%, with a 24% increase for diesel fuel.

Richard McComas stated that fuel costs had been staying above \$2.80 for the last two months, and noted that they have budgeted \$3.20 per gallon for 2011.

### **Monthly Expenditure Report**

Michele Anderson stated that expenditures in the General Fund were at 91.69% of the budget and at 86.73% in County Road. She noted that the Health Insurance Fund went over 100%. Richard McComas stated that they will make an adjustment, and that it went over because they did not fully fund everything, to keep our reserves at a \$2 million balance. He added that the budget adjustment will not require any additional funds.

**Other Business**

Richard McComas stated that some adjustments will be brought to the Finance Committee in February, on both the 2010 budget and the 2011 budget, and that there is money to be carried over.

JP Sandlin stated that a Personnel Committee Meeting will be called the last week of this month for some job description changes, and that the date will be announced at a later time.

Richard McComas stated that the County Judge's reorganization involves moving people to certain departments, but that it will not involve appropriating any new monies.

JP Douglas announced that a Transportation Committee meeting will be held Tuesday, January 11, 2011 at 5:00 p.m.

JP Allen announced that the next Finance Committee meeting will be Tuesday, February 1, 2011 at 5:30 p.m.

Upon motion and second the meeting adjourned at 5:30 p.m.