

FINANCE COMMITTEE REPORT

May 01, 2012

A Finance Committee meeting was held Tuesday, May 01, 2012 at 5:30 p.m. in the County Administration Building, Quorum Court Meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: Allen, J. Harrison, Moore, Jones, Douglas, Winscott, Curry

Others Present: County Judge Bob Clinard, Coroner Daniel Oxford, County Attorney George Spence, Comptroller Richard McComas, Accounting Manager Sarah Daniels, Grants Administrator Katie Rose, Administrator of General Service Elizabeth Bowen, Administrator of Public Safety Marshal Watson,

Tom Sissom – Benton County Daily Record

Chair JP Allen called the meeting to order.

JP Allen stated that after further analysis by County Attorney George Spence, the Sheriff's office, and himself, that County Attorney George Spence has recommended that the Pay for Stay ordinance be tabled for further study. JP Allen stated that the way that the ordinance is currently drafted, it is going to pose more problems than benefits.

County Attorney George Spence stated that he recommends that the Pay for Stay ordinance be tabled after discussions with the Prosecuting Attorney, the District Judge, and the Circuit Judges. He stated that there are number of issues regarding how the ordinance is currently drafted and that he is going to consult with Captain Sparks from the Sheriff's Office and come up with some sort of ordinance or resolution that is worthwhile to bring before the court.

Lengthy discussion was held on the Pay for Stay ordinance program regarding the \$40 a day sought from inmates held in the county jail as part of their sentences.

JP Moore stated that he had heard from constituents who suggested a smaller daily fee and a cap on the total amount an inmate could be charged and that the plan needs to be reworked.

JP Douglas stated that this whole thing never made any sense to him. He stated that the majority of the people who are in jail don't have any money anyway.

JP Winscott stated that he was worried that the imposition of a \$40 a day fine would turn the county jail into a debtor's prison, and that most of these people need help and they don't need additional burdens.

1. Grants Administrator Report

Grants Administrator Katie Rose reported that; 1)the Northwest Arkansas Economic Development District – General Improvement Funds Grant for Project Life Saver had been awarded; 2) that the award for the Courthouse Security grant will be announced May 11, 2012 for the Arkansas Administrative Office of Courts Security and Emergency Preparedness Grant for additional courthouse security cameras; 3) the Arkansas Department of Parks & Tourism's

Outdoor Recreation General Improvement Fund grant for \$15,000 that is 100% with no county match had been submitted for the Police Athletic League (P.A.L.) for baseball equipment and field construction for the Sheriff's Department; 3) the Department of Justice – Safe Havens Supervised Visitation Grant, that AVEC has withdrawn from program; therefore the county will be initiating termination of the grant.

Katie stated that she was requesting approval to apply for the Department of Justice –Coverdell Forensic Science Improvement Grant – 2012 for \$66,255 that is 100% funded for additional equipment and training to improve efficiency in the Coroner's Office.

Coroner Daniel Oxford addressed the committee about the Coverdell Forensic Science Improvement grant, and explained that the grant would provide additional training for his Deputy coroners, additional laptops and cameras, and also a professional copy machine for the office.

Lengthy discussion was held on the Coverdell Forensic Science Improvement Grant, and the need for the additional equipment and training for the Coroner's Office.

Approval was given to allow Katie to apply for the Department of Justice – Coverdell Forensic Science Improvement Grant – 2012.

2. Appropriation Ordinance Request - 2012 Rain Garden Grant

Comptroller Richard McComas stated this appropriation request is to appropriate the funds received for the Planning Department Rain Garden project.

JP Douglas made motion to approve and forward the appropriation ordinance request to the May 8, 2012 Committee of Thirteen agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

3. Appropriation Ordinance Requests:

a) Assessor's Annex, Dept. 07, Fund 440

County Judge Bob Clinard stated that the original budget for the Assessor's Annex was \$150,000, and this request is to appropriate \$30,000 to complete the work, and that this project has turned out to be a prevailing wage project. He stated that because of State Law that any project that is over \$100,000 an architect has to be hired, and that the architect is required to report any project that has State, Federal or County funds to the Arkansas Labor Board for a wage determination, and that this is to cover the difference for the prevailing wage rate that the contractors have to charge.

JP Harrison made motion to approve and forward the appropriation ordinance request to the May 8, 2012 Committee of Thirteen agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

b) Courthouse Tower East, Dept. 21, Fund 440

County Judge Bob Clinard stated this request is to appropriate \$20,000 in additional funds for additional expenditures of the Courthouse Tower East project. He stated that since the work has been started, that asbestos has been found in the floor tile, and that the carpet needed to be replaced.

He added that the Equalization Board will be relocated to the northwest corner of the Courthouse Tower East, and that the State Troopers have been given two rooms because they were housed in the Crabtree building. He reported that the Maintenance Department has moved in, and that they have a plan approved to do the Sally Port on the south side. He added that the thirteen cells will be used for file storage.

JP Harrison made motion to approve and forward the appropriation ordinance request to the May 8, 2012 Committee of Thirteen agenda, seconded by JP Jones

Motion passed by unanimous show of hands vote.

c) Westside Road Facility, Dept. 44, Fund 440

County Judge Bob Clinard stated that a lean-to structure was added to the Westside Road Facility project to house wash bay equipment, the control panels for the Fuel Island, a 17 KW generator for a backup in case of a power outage, and a transfer switch. He added that the \$20,000 appropriation request would also include \$8,156 for the security camera system that will monitor the gates, fuel tanks and the rear yard. He stated that CENCOM will be monitoring the security system cameras.

JP Winscott made motion to approve and forward the appropriation ordinance request to the May 8, 2012 Committee of Thirteen agenda, seconded by JP Harrison

4. Appropriation Ordinance Request – Windmill Road

a) Windmill Road Department, Dept. 44, Fund 020

Richard McComas stated this is appropriation request is for \$104,980 to reimburse the City of Bentonville for acquisition of easements on Windmill Road.

County Judge Bob Clinard stated that he had met with the City of Bentonville's Mayor Bob McCaslin and staff, and that after much discussion, it's 100% his opinion, to honor the original agreement and that this is the estimated cost for the agreements. He stated that they will negotiate with the land owners the price and then will bill Benton County for what the easements would cost. He added that except for the costs of the fuel, the county is providing equipment and manpower, and the City of Bentonville is providing all the materials; including the red dirt, culverts, drain fill, asphalt, fencing material.

JP Winscott made motion to approve and forward the appropriation ordinance request to the May 8, 2012 Committee of Thirteen agenda, seconded by JP Curry.

Further discussion was held on the agreement with the City of Bentonville and the acquisition of easements on Windmill Road.

Motion passed by unanimous show of hands vote.

b) Transfer of Funds -Emergency Management – LETPA, Dept. 30, Fund 297

Richard McComas stated this is transferring \$3,780.00 from machinery and equipment to small equipment within the Emergency Management, Department 30, LETPA Grant Fund 297.

Administrator of Public Safety Marshal Watson stated this to move the funds not used in machinery and equipment, to small equipment. He stated this money will allow the purchase of Gas Sensor for the Sheriff's Office to detect gas when working around Meth Labs.

JP Douglas made motion to approve and forward the appropriation ordinance request to the May 8, 2012 Committee of Thirteen agenda, seconded by JP Harrison.

5. Sales Tax Numbers

Richard McComas reported that the sales tax receipts are up 8% for the month and 11.58% for the year. He added that the county is up \$230,432 for the year, and that is on track to meet the projections for the year.

JP Allen stated that there are still some cautionary signs out there, even though we have these increases in sales tax collections for the cities in the county, that nationwide, the big ticket purchase items are down double digits, and a few months down the road that is going to hit. He added that wholesale prices for food is going up and that he was concerned that some of the local entrepreneurs are going to be hurting really bad, and that the warning signs are out there and that they need to pay close attention to the economy.

6. Jail Collections

Richard McComas stated that \$86,056 had been collected for the month, and that there is another \$128,000 in receivables that have not been paid. He added that \$313,752 had been collected for the year. Richard stated that Jail Collections were budgeted at \$1.75 million, but he did not expect to collect \$1.75 million in jail receipts this year. He stated that the loss of revenue could be made up in other parts of the county.

7. Fuel Analysis

Accounting Manager Sarah Daniels reported that the Sheriff was at 29% of their budget, and the Road Department at 45% of their budget. She added that average unleaded fuel costs have increased 12% to \$3.48 per gallon and that diesel has increased 1% to \$3.44 per gallon.

County Judge Bob Clinard stated because of the good weather that the Road Department is working more hours and getting more work done. He stated at this pace, the Road Department is going to run out of money for fuel by mid-year, and they are either going to have to stop working or the court is going to have to appropriate some more money.

JP Allen asked if he was advocating taking money out of Capital Projects for fuel.

County Judge Bob Clinard stated it has been suggested that we have \$1.8 million appropriated in Capital Projects for two bridges, and that the Colonel Meyers Road Bridge will be done with state aid, and will cost \$60,000 instead of \$600,000. He stated a federal grant for the Fisher Ford Bridge had been applied for and that would be approximately \$900,000 and that \$1.2 million had been appropriated to build the Fisher Ford Bridge, and that some of that money could be used for asphalt and diesel fuel. He stated that the grant says that anything that is funded has to be per Federal specifications and the contract has to be signed by September 30, 2012. He added that the Fisher Ford Bridge is going to qualify because of the start date and because of it's federal design.

JP Allen stated that he didn't want to slow progress, but that he is hesitate to assume that money to fund the road department, and fuel in particular would come out of Capital Reserves. He stated that if we are not going to spend Capital Reserve money on Fisher Ford Bridge, that maybe we have another bridge out there that needs to be done. We need to figure out another way to fund the fuel.

Discussion was held on allocating funds out of Capital Reserves for funding fuel for building road in the Road Department and other building projects.

8. Monthly Fund Summary

Sarah Daniels reported on the Monthly Fund Summary report, stating that the General Fund is at 30.28% and the overall budget is at 30.85%.

9. 1st Quarter Revenue Review

Richard McComas reported that in the General Fund, there is about \$129,000 more to be added to revenue; based on excess commissions collected, and that everything else is in-line with the budget. He said that \$41 million was budgeted for 2012.

Richard McComas stated if we spend the entire budget, we will end the year with \$16,724,000. He added that this is taking into consideration we spend the \$1.8 million in Capital Projects. He stated that the revenue stream has dropped, and that property taxes will be \$1 million less than what they have been in the past. He stated there will be additional appropriations come up through the year, but we are still in sound financial position.

8. Other Business

Administrator of General Services Elizabeth Bowen announced that the Benton County Clean-up had been set for May 19, 2012. She stated that two bids had come in for the hazardous waste disposal and that only one bid had the not to exceed amount of \$112,000. She said that both bids came in high, compared to the 2011 spring and the fall clean-up figures. She added that last year the clean-up costs were \$73,000. Elizabeth stated we do have the option to work with the Benton County Solid Waste District, and contract out for the bulk waste disposal. She said it is going to take a lot more time; more volunteers, more inmate labor, and that it could take up to two weeks to dispose of the hazardous waste material once that has been collected.

Richard McComas stated that \$60,000 was budgeted for Benton County Clean-ups this year.

JP Jones stated last year the county clean-up was a huge success, and that this is one of the best uses of the taxpayers' money.

JP Moore stated that they might be able to cut down the disposal costs because of the revenue generation by some of the recyclables.

JP Douglas stated that whatever they can do to partner with Benton County Solid Waste District, would be the best way to go.

Further discussion was held on holding the Benton County Clean-up and partnering with the Benton County Solid Waste District, and contracting out the disposal of the hazardous waste products.

JP Douglas made motion for Benton County to partner with the Benton County Solid Waste District to do the household hazardous waste disposal for the Benton County Clean-up, and to authorize Administrator of General Services, Elizabeth Bowen to get bids for the disposal of the bulk household hazardous waste, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

JP Douglas announced that the next Transportation Committee meeting will be held May 3, 2012 at 6:00 p.m.

JP Allen announced that the next Finance Committee meeting will be held June 5, 2012 at 5:30 p.m.

Upon motion and second the meeting adjourned at 7:58 p.m.